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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, January 8, 1991

1:30 P.M.

Present:	Samuel W. Walker	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
Absent:	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, December 11, 1990

ACTION: Approved as Submitted

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RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 12-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

James A. Strain $13,591.34

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Kimberly Tuyay $1,219.65

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Leland V. Steffey $1,508.13

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Patricia Dunson $1,750.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Charles Jensen $12,500.00

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Patricia A. Celaya

b. Terence Collins

c. Colleen Kemp

d. Flora M. Sims

7 45243 SFPL: ECONO JRS
206 SFPL 11/22/00 87

5. HEARING OFFICER DECISION:

a. Cortic Criss
9163 Transit Operator - MUNI
Ordinary Disability Retirement/Stipulation
Effective Date: September 5, 1990 Granted

b. Nancy L. Cook
2320 Registered Nurse - DPH/SFGH
Ordinary Disability Retirement
Effective Date: January 2, 1991 Granted

c. Maxine Grodjinsky
1244 Sr. Personnel Analyst - DPH/SFGH
Ordinary Disability Retirement
Effective Date: February 1, 1990 Granted

6. APPLICATION FOR BIRTHDATE CORRECTION.

Sam A. Truong

ACTION: It was moved by Peter Ashe, seconded by William Breall to adopt the Consent Calendar; motion passed, 4-0.

NOTE: Commissioner Walker arrived at the meeting during the discussion of Regular Calendar Item 1.

REGULAR CALENDAR

1. REVIEW OF RESPONSES TO THE REQUEST FOR PROPOSAL AND THE SELECTION OF TOP CANDIDATES FOR CONSULTING ACTUARIAL SERVICES.

Kieran Murphy, Actuary, presented a written and oral report on the Proposal and the Selection of Top Candidates for Consulting Actuarial Services. The Board reviewed and discussed the issue with staff.

ACTION: It was moved by Breall, seconded by Ashe to approve and adopt the Proposal and the Selection of Top Candidates for Consulting Actuarial Services. Staff recommended that the three finalists to make presentation to the Board on Tuesday, January 22, 1991; motion passed, 5-0.

2. RETIREMENT SYSTEM BUDGET REVIEW FOR FISCAL YEAR 1991-1992.

Rudy Hernandez, Deputy General Manager, presented a written and oral report to the Board. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this item.

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Retirement System Budget for FY 1991-1992, and the Mayor's requested budget data which include the amendment offered by Commissioner Breall; motion passed, 5-0.

3. REQUEST AUTHORIZATION FOR TWO STAFF MEMBERS TO ATTEND THE GOVERNMENT FINANCE OFFICERS ASSOCIATION EIGHTY-FIFTH ANNUAL CONFERENCE ON JUNE 2-5, 1991 IN DENVER, COLORADO.

Clare Murphy, General Manager, presented a written and oral request to the Board on the Government Finance Officers Association 85the Annual Conference. The Board reviewed and discussed the conference with staff.

ACTION: It was moved by Breall, seconded by Ashe to approve sending two staff members to the conference; motion passed, 5-0.

4. REQUEST AUTHORIZATION FOR TWO BOARD MEMBERS TO ATTEND THE COUNCIL OF INSTITUTIONAL INVESTORS EXECUTIVE COMMITTEE MEETING ON JANUARY 31 - FEBRUARY 1, 1991 IN WASHINGTON D.C.

Clare Murphy, General Manager, presented a written and oral request to the Board on the Council of Institutional Investors Executive Committee Meeting. The Board reviewed and discussed the committee meeting with staff.

ACTION: It was moved by Gibson, seconded by Driscoll to approve sending two Board members to the committee meeting; motion passed, 5-0.

INVESTMENT CALENDAR

1. CHIEF INVESTMENT OFFICER'S REPORT.

Ken Shaffer, Chief Investment Officer, presented the Chief Investment Officer's Report to the Board.

a. Mr. Shaffer distributed a list of meetings the Investment Division had during the month of December.

b. Gary Hyatt, Portfolio Manager, reported that after lengthy due diligence in conjunction with Lewis, Bailey Associates, Inc., we elected not to commit to the German portion of APA European ventures. The primary reason was that the general partners of the German fund had no verifiable performance record as a unit. As a result, the funds that would have been committed to the German partnership were reallocated to the UK and French partnerships as earlier directed by the Board.

There was further discussion concerning a pan-european collection of venture funds under development by Schroder International. Mr. Hyatt indicated they did not believe it to be appropriate to recommend investment by the System at this time as we would have a very large commitment to the UK given our recent closing of the APA European Ventures. Further, the details of many of the individual country funds under the Schroder umbrella have not been developed. The Board and staff did agree that the Schroder organization merited careful observation and that either a subsequent pan-european fund or even some of the individual country funds may be appropriate for the System as they developed.

ACTION: No action was taken on this item. This was an informational item only.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Breall to hear the Supplemental Calendar; motion passed, 5-0.

ITEM

1. VOLUNTARY SERVICE RETIREMENT LIST - 13-90

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Cephas Campbell $8,000.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Martha J. Fakhourly $8,000.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Harry McNeill $960.36

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

John R. Ruggeiro $1,885.60

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

John Hatley $8,333.33

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Willis J. Thomas $44,000.00

4. HEARING OFFICER DECISION:

a. Francis A. Achim
Q2-Police Officer - Police Dept.
Determination
Effective Dates: 4-20-89 to 7-5-89 Granted
2-28-89 to 3-3-89 Denied

b. Cornelius Crowley
Q50-Sergeant - Police Dept.
Determination
Effective Dates: 1-8-90 to 5-1-90 Denied

c. Chester A. Elmore
9210-Airport Police Officer
PERS Granted

d. Robert Hernandez
0380-Inspector - Police Dept.
Determination
Effective Date: 3-22-90 to 4-2-90 Granted
4-3-90 to 4-27-90 Denied

e. Sistine A. Liggins
2390-Central Processing &
Distribution Technician - SFGH
Ordinary Disability Retirement

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Mona Marie Gray

6. APPLICATION FOR BIRTHDATE CORRECTION:

   Marc A. Zavala

7. REQUEST AUTHORIZATION FOR MARK COLEMAN TO ATTEND BARRA'S TWO-DAY REGIONAL EQUITY PC WORKSHOP ON JANUARY 23-24, 1991 IN BERKELEY.

   ACTION: It was moved by Gibson, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Ms. Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Clare Murphy discussed the following issues:

   a. CALAPRS General Assembly, March 3 and 4 in Palm Springs, CA.

   b. The status of the Retirement System's MIS project in light of recent Civil Service Commission meeting presentations. As a result of discussion with Board members the staff will prepare a status report.

   c. ERD meetings regarding Worker's Compensation Claim Program.

   d. Mayor's meeting and the city employees who are on military leave in the Persian Gulf. The Retirement System staff will prepare information on employees' contributions/benefits while on military leave.

   e. Report of a racial incident involving an employee of the Hartford's Deferred Compensation office. Retirement System staff will update the Board as investigation and litigation proceeds.

2. Ms. Clare Murphy distributed to the Board members forms containing address and telephone numbers as requested by the Mayor's office for each Board member's approval.

BOARD MEMBERS

1. SELECTION OF DELEGATE TO COUNCIL OF INSTITUTIONAL INVESTORS.

   Board members discussed naming a new delegate.

ACTION: It was moved by Ashe, seconded by Gibson to select Commissioner Joseph D. Driscoll to serve as a delegate to the Council of Institutional Investors; motion passed, 5-0.

EXECUTIVE SESSION

Pursuant to Government Code 54950 et seq. and Government Code 54957, the Retirement Board met in closed session to discussion personnel matters.

The Retirement Board returned to public session and President Walker reported that no action was taken within the meaning of Government Code 54957.1.

The Board also met in closed session pursuant to Government Code 54956.9(a) to discuss pending litigation. The title of the case is Coffey vs. Retirement Board, et al., San Francisco Superior Court No. 917630. The Board directed that the Coffey's application for Disability Retirement be referred to a hearing officer for an administration hearing.

There being no further business the Board adjourned its meeting at 5:45 p.m.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker Adams Reporting Services

City and County of San Francisco

San Francisco City and County
Employees' Retirement System
Office of The General Manager

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January 14, 1991

CALENDAR

TO: All Interested Parties

FROM: Clare M. Murphy
General Manager CMM

RE: Special Meeting Schedule

For your information, the Retirement Board will hold a Special Meeting on January 22, 1991 at 1:30 P.M. at 1155 Market Street, 2nd Floor, Board Conference Room to hear Presentations from the finalists for Consulting Actuary for the Retirement System.

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, January 29, 1991

1:30 P.M.

Present:	Samuel W. Walker	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner

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Absent:	Doris Ward	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, January 8, 1991 and Special Meeting, January 22, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 14-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Michael Frudakis $204.26

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Michael C. Kennedy $6,411.18

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Anthony Herrera $12,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Justin Markham $850.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

William R. Moore $1,500.00

4. HEARING OFFICER DECISION:

a. Charles Arengi
2907 Eligibility Worker Supervisor - Social Services
Ordinary Disability Retirement
Effective Date: October 2, 1990 Granted

1531A

b. Elmer M. Ballard
H-39 Captain - Fire Dept.
Industrial Disability Retirement/Stipulation
Effective Date: May 1, 1990 Granted

c. George W. Benton
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: March 1, 1990 Granted

d. William T. Cochrane
H-40 Battalion Chief - Fire Dept.
Industrial Disability Retirement/Stipulation
Effective Date: April 24, 1990 Granted

e. Keith Esselstrom
7316 Water Service Inspector - PUC
Ordinary Disability Retirement/Stipulation
Effective Date: July 31, 1990 Granted

f. Craig Kuwabara
Q-2 Police Officer - Police Dept.
Determination
Effective Dates: April 10, 1990 - May 14, 1990 Granted

g. Dennis A. Lewis
7372 Stationary Engineer - DPW
Ordinary Disability Retirement
Effective Date: October 1, 1990 Granted

h. Ronald R. Mauer
H-2 Firefighter - Fire Dept.
Industrial Disability Retirement
Effective Date: January 24, 1991 Granted

5. APPLICATION FOR BIRTHDATE CORRECTION.

Anna A. Mahinay

ACTION: It was moved by Ashe, seconded by Breall to adopt the Consent Calendar; motion passed, 4-0.

REGULAR CALENDAR

1. SEMI ANNUAL REVIEW OF THE PERFORMANCE OF REVIEWCO.

Mike Lewis, Division Manager, Workers' Compensation, presented a written and oral report on the Semi-Annual Review of the Performance of Reviewco. The Board engaged in a question and answer session with staff on this item.

ACTION: No action was taken on this item. This was an informational item only.

2. SEMI ANNUAL TRAVEL EXPENSE REPORT.

Pam Levesque, Executive Assistant, presented a written and oral report on the Semi-Annual Travel Expenses through December 31, 1990. The Board reviewed and discussed the item with staff.

ACTION: No action was taken on this item. This was an informational item only.

3. SUPPLEMENTAL APPROPRIATION FOR LEGAL SERVICES.

Rudy Hernandez, Deputy General Manager, presented a written and oral report on the Supplemental Appropriation for Legal Services. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this item. Board member, Peter Ashe, asked that the legality of non-budgetted, unauthorized charges to the investment trust be determined.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the Supplemental Appropriation for Legal Services; motion passed, 5-0.

NOTE: Commissioner Gibson arrived during the above discussion.

4. SELECTION OF CONSULTING ACTUARY.

Kieran Murphy, Actuary, presented a written and oral report on the Selection of Consulting Actuary. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this item.

ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation to enter contract negotiations to hire TPF&C to be the Consulting Actuary for the Retirement System and to terminate the services of Milliman & Robertson; motion passed, 5-0.

5. HEARING OFFICER DECISION:

William F. Johnston
Q2 Police officer - Police Dept.
Industrial Disability Retirement
Effective Date: December 23, 1989 Granted

Dan Maguire, Deputy City Attorney, presented a written and oral report on the William F. Johnston Case. The Board reviewed and discussed the report and engaged in a question and answer session with Mr. Maguire on this item.

ACTION: It was moved by Breall, seconded by Gibson to approve staff's recommendation to request a rehearing in the case of William F. Johnston; motion passed, 5-0.

6. ADJUSTMENT OF RETIREMENT ALLOWANCE - SUSAN HERNANDEZ.

Pam Levesque, Executive Assistant, presented a written and oral report on the Adjustment of Retirement Allowance for Susan Hernandez. The Board reviewed and discussed the issue with Ms. Levesque.

ACTION: By ballot vote, the Retirement Board voted unanimously to adjust the retirement allowance of Susan Hernandez from 50% to 75%.

INVESTMENT CALENDAR

1. DOMESTIC FIXED INCOME REVIEW REPORT.

Ken Shaffer, Chief Investment Officer and Jack Montgomery, Portfolio Manager, presented a written and oral report on the Domestic Fixed Income Portfolio and the External Managers. The Board reviewed and discussed the report and recommendations with staff.

The Board directed staff to provide additional information on Axe Houghton Management, Inc.'s performance and to bring the issue before the Board again at the April meeting.

ACTION: It was moved by Ashe, seconded by Driscoll to terminate the external investment management firm of Miller, Anderson & Sherrerd and to begin proceedings to place the assets of Miller Anderson and Sherrerd in the internal fixed income portfolio; motion passed, 5-0.

2. CORPORATE GOVERNANCE PROXY ISSUES FOR THE 1991 PROXY SEASON.

Ken Shaffer, Chief Investment Officer and Mark Coleman, Security Analyst, presented a written and oral report on the Corporate Governance Proxy Issues for the 1991 Proxy Season. The Board reviewed and discussed the issue with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation on the Corporate Governance Proxy Issues for the 1991 Proxy Season; motion passed, 5-0.

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy vote:

NCR Company	For	Against
AT & T Requests a Special meeting of NCR's Board of Directors to respond to the stock offer to purchase NCR.	5	0

Mr. Shaffer presented the Chief Investment Officer's Report to the Board.

Mr. Shaffer discussed with the Board the current asset allocation structure for the trust fund. Mr. Shaffer will bring more detail to the Board during the next Quarterly Investment report.

GENERAL MANAGER'S REPORT

Ms. Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy discussed several Workers' Compensation issues. She distributed to the Board Keith Grand's memo to the Chief Administrative Officer regarding Workers' Compensation costs and potential solutions. Ms. Murphy further discussed the Mayor's Workers' Compensation Task Force Meeting which was held on January 17, 1990. The Task Force is chaired by Maggie Jacobson of the Employees Relation's Division. The next Task Force meeting is scheduled for Friday, February 1, 1990. Ms. Murphy and the Board discussed various different issues and possible solutions for the on going Workers' Compensation problems the City faces.

Ms. Murphy further discussed the required city-wide injury prevention program which must be submitted to the State on July 1, 1991 and the current status of that proposal.

Ms. Murphy informed the Board of the U.C. Berkeley graduate student intern program presentations on workers' compensation. The presentations will be held on February 12, 1991 in the Mayor's Office.

2. Ms. Murphy informed the Board that the Mayor has reviewed a number of candidates for the Retirement Board Member vacancy. Ms. Murphy is meeting with one of the candidates Friday, February 1, 1991. More information will follow once a final candidate is chosen.

   Supervisor Ward has been contacted regarding her role on the Retirement Board and staff requested a meeting as soon as possible.

3. Ms. Murphy distributed and discussed the Retirement Board Forward Calendar and the Tentative Topics. By the end of February staff will provide further updates to this schedule.

REGULAR CALENDAR

1. REQUEST TO REINSTATE DENNIS L. NEWCOMER TO THE RETIREMENT PLAN UNDER CHARTER SECTION 8.559.

   This item was carried forward to the next regularly scheduled Retirement Board Meeting.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Breall to hear the Supplemental Calendar; motion passed, 5-0.

ITEM

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Maria Arosequi $1,500.00

   b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   A. J. Holmes $20,000.00

   c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Mary E. Holloway $2,640.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Anna Kossman $7,500.00

2. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Larry R. Burnett

b. Ralle R. Greenberg

c. Alejandro V. Sausa

d. Sarah Silberberg

e. Willie P. Williams

3. HEARING OFFICER DECISION:

William E. Ference
H-40 Battalion Chief - Fire
Industrial Disability Retirement/Stipulation
Effective Dates: 7-18-90 Granted

ACTION: It was moved by Ashe, seconded by Breall to adopt the Supplemental Calendar, motion passed, 5-0.

There being no other business the meeting adjourned at 5:30 p.m.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting by Court Reporter: Theresa Becker Adams Reporting Services

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, February 12, 1991

1:30 P.M.

Present:	Samuel W. Walker	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, January 29, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

SPECIAL ORDER

Retirement Board Members recognized and welcomed Supervisor Doris Ward to the Retirement Board and congratulated Joseph D. Driscoll on his re-election to the Retirement Board.

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY SERVICE RETIREMENT LIST NO. 15-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Ernest J. East $2,000.00

   b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Paul Bellazain $2,400.00

3. HEARING OFFICER DECISION:

   a. Frederick Kennerly
   Q-2 Police - Police Dept.
   Reinstatement Denied

   b. Arturo D. Encabo
   8141 Claims Adjuster - Workers' Compensation
   Ordinary Disability Retirement
   Effective Date: August 1, 1990 Denied

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   Allene A. Malae

ACTION: It was moved by Ashe, seconded by Gibson to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. DEFERRED COMPENSATION REPORT - PART I.

   Pam Levesque, Executive Assistant, presented a written and oral report on the Deferred Compensation Program. This was Part I of a two part report. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

   ACTION: No action was taken on this item. This was an informational item only.

2. REQUEST TO REINSTATE DENNIS L. NEWCOMER TO THE RETIREMENT PLAN UNDER CHARTER SECTION 8.559.

   Dan Maguire, Deputy City Attorney and Kieran Murphy, Actuary presented a written and oral report on the request to reinstate Dennis L. Newcomer to the Retirement Plan under Charter Section 8.559. The Board reviewed and discussed the case. The Board then went into Closed Session to discuss potential litigation.

   ACTION: It was moved by Gibson, seconded by Ashe to excuse Supervisor Ward from the vote on the Newcomer matter; motion passed, 5-0.

   ACTION: It was moved by Gibson, seconded by Driscoll to deny Mr. Newcomer's request to be reinstated to the Retirement Plan under Charter Section 8.559; motion failed, 2-3 (Ashe, Breall, and Walker)

   NOTE: Supervisor Ward arrived during the above discussion on item 2.

CLOSED SESSION

Pursuant to Government Code 54956.9 the Board went into closed session to discuss a potential litigation matter. The Board returned to Open Session and took the following actions.

NOTE: Clare M. Murphy, General Manager took a sworn statement from Mr. Dennis Newcomer that the statements made by him were the whole truth.

ACTION: It was moved by Ashe, seconded by Breall to rescind the waiver signed by Mr. Newcomer regarding his status in the Retirement Plan under Charter Section 8.559, and to begin negotiation with Mr. Newcomer on the payback of monies to the Retirement Plan before Mr. Newcomer can be reinstated to the Retirement Plan under Charter Section 8.559; motion passed, 3-2 (Driscoll and Gibson).

3. REVIEW OF THE STATEMENT OF ECONOMIC INTEREST - FORM 721.

Dan Maguire, Deputy City Attorney and David Benjamin, Deputy City Attorney, presented a written and oral report on the Statement of Economic Interest - Form 721. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: No action was taken on this item. This was an informational item only.

4. PROPOSED AMENDMENT TO ADMINISTRATIVE CODE SECTION 16.6-29.

Clare Murphy, General Manager, presented a written and oral report on the Proposed Amendment to Administrative Code Section 16.6-29. The Board discussed the request with Ms. Murphy.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the Proposed Amendment to Administrative Code Section 16.6-29; motion passed, 6-0.

5. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE NEW YORK UNIVERSITY SECOND ANNUAL PENSION FUND IN REAL ESTATE CONFERENCE ON MAY 13-14, 1991 IN NEW YORK, NEW YORK.

Clare Murphy, General Manager, presented a written and oral request for Board members and staff to attend the Conference on May 13-14, 1991 in New York.

ACTION: It was moved by Breall, seconded by Driscoll to approve for Board members and staff to attend the New York University Second Annual Pension Fund in Real Estate Conference on May 13-14, 1991 in New York; motion passed, 6-0.

6. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE NATIONAL CONFERENCE ON THE PUBLIC EMPLOYEE RETIREMENT SYSTEMS 50TH ANNUAL CONFERENCE ON APRIL 7-11, 1991 IN SAN ANTONIO, TEXAS.

Clare Murphy, General Manager, presented a written and oral request for Board members and staff to attend the Public Employee Retirement Systems 50th Annual Conference on April 7-11, 1991 in San Antonio.

ACTION: It was moved by Breall, seconded by Driscoll to authorize for Board members and staff to attend the Public Employee Retirement Systems 50th Annual Conference on April 7-11, 1991 in San Antonio; motion passed, 6-0.

INVESTMENT CALENDAR

1. STAFF REPORT ON TOTAL PORTFOLIO PERFORMANCE FOR THE PERIOD ENDED DECEMBER 31, 1990.

Ken Shaffer, Chief Investment Officer, presented a written and oral report on the Total Portfolio Performance for the period ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: No action was taken on this item. This was an informational item only.

2. STAFF REPORT ON THE PERFORMANCE OF INTERNAL AND EXTERNAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED DECEMBER 31, 1990.

Ken Shaffer, Chief Investment Officer and Jack Montgomery, Portfolio Manager, presented a written and oral report on the Performance of Internal and External Fixed Income Managers for the period ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: No action was taken on this item. This was an informational item only.

3. STAFF REPORT ON THE PERFORMANCE OF INTERNAL AND EXTERNAL EQUITY MANAGERS FOR THE QUARTER ENDED DECEMBER 31, 1990.

Ken Shaffer, Chief Investment Officer and Carolyn Hamilton, Portfolio Manager, presented a written and oral report on the Performance of Internal and External Equity Managers for the quarter ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: No action was taken on this item. This was an informational item only.

4. STAFF REPORT AND REQUEST ON THE RECOMMENDATION OF ASSET ALLOCATION FOR THE PERIOD ENDING APRIL 30, 1991.

Ken Shaffer, Chief Investment Officer and Mark Coleman, Portfolio Manager, presented a written and oral report on the recommendation for Asset Allocation for the period ending April 30, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: It was moved by Ashe, seconded by Gibson to adopt the staff's recommendation on the asset allocation for the period ending April 30, 1991 and to approve the authorization for the Chief Investment Officer to have a 2.5% latitude for the target weightings for domestic securities and cash to be executed in the internally managed portfolio; motion passed, 6-0.

5. SOCIAL RESPONSIBILITY PROXY ISSUES FOR THE 1991 PROXY SEASON.

Ken Shaffer, Chief Investment Officer and Mark Coleman, Portfolio Manager, presented a written and oral report on the Social Responsibility Proxy Issues for the 1991 Proxy Season. The Board reviewed and discussed the report and engaged in a question and answer session with staff on this report.

ACTION: It was moved by Ashe, seconded by Breall to adopt the staff's recommendation on the Social Responsibility Proxy Issues for the 1991 Proxy Season with the provision that any time specific proxies for specific companies have significantly different financial consequences than outlined in the recommendation, then staff would bring these proxies before the Board for a vote and with the exception of item 1b and 2a on the social responsibility proxy list; motion passed, 6-0.

ACTION: It was moved by Gibson, seconded by Driscoll to approve staff's recommendation on item 1b on the social responsibility proxy list; motion passed, 6-0.

ACTION: It was moved by Driscoll, seconded by Walker not to accept staff's recommendation on item 2a of the social responsibility proxy list and all other extraordinary issues must be presented for vote before the Retirement Board, motion passed, 6-0.

6. CHIEF INVESTMENT OFFICER'S REPORT.

Ken Shaffer, Chief Investment Officer, presented the Chief Investment Officer's Report to the Board.

a. Mr. Shaffer distributed a list of meetings of the Investment Division had during the month of December.

b. Mr. Shaffer discussed the recent adverse publicity on Stonestown, citing that the information was incorrect.

GENERAL MANAGER'S REPORT

Ms. Clare M. Murphy, General Manager presented the General Manager's Report.

1. Ms. Murphy announced the Mayor has declared a freeze on all City requisitions for new and replacement hires. The Retirement System should not have an adverse impact from the freeze.

2. Ms. Murphy announced the Supplemental Appropriation for Workers' Compensation was approved at Finance Committee and by the Board of Supervisors for second reading.

3. Ms. Murphy discussed a visit from the Grand Jury. The focus was on wage setting mechanisms the city utilizes.

4. Ms. Murphy and Ms. Levesque discussed the new regulations for Board member parking at the Holiday Inn.

5. Ms. Murphy discussed the newspaper articles on the Catchings case and reviewed with Board members the recent Court Decision which upheld the Retirement System's plan provisions in this matter.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous votes of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Ashe to hear the Supplemental Calendar; motion passed, 6-0.

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Maria Winthal $7,500.00

2. HEARING OFFICER DECISION:

a. Charlie Barnes
1934 Store Keeper - Purchasing
Ordinary Disability Retirement/Stipulation
Effective Date: July 1, 1990 Granted

b. Robert J. Burrows
H-2 Firefighter - Fire Dept.
Industrial Disability Retirement/Stipulation
Effective Date: February 8, 1990 Granted

c. Loretta (James) Herlihy
Q-2 Police Officer - Police Dept.
Death
Effective Date: February 9, 1989 Denied

d. Harry L. Lohmar
2302 Orderly - DPH - S.F.G.H.
Ordinary Disability Retirement/Stipulation
Effective Date: November 1, 1990 Granted

e. James F. Mohr
7380 Electrical Transit Mechanic Asst.
Supervisor - MUNI
Ordinary Disability Retirement
Effective Date: May 1, 1990 Denied

f. Brian J. Murphy
H-2 Firefighter - Fire Dept.
Industrial Disability Retirement
Effective Date: January 11, 1991 Granted

g. Willie L. Nobles
9139 Transit Supervisor - MUNI
Ordinary Disability Retirement
Effective Date: January 3, 1991 Granted

h. Earnest Lee Wayne
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: August 1, 1989 Granted

3. REQUEST TO WITHDRAWN FUNDS FROM DEFERRED COMPENSATION:

   a. Yolanda Dizon

   b. Betty S. Hardy

   c. Wilbert R. Taylor

   ACTION: It was moved by Gibson, seconded by Ashe to adopt Supplemental Calendar Items No. 1-3; motion passed, 6-0.

4. REQUEST AUTHORIZATION FOR GARY HIATT TO TRAVEL TO BOSTON FROM FEBRUARY 27 TO MARCH 1, 1991 TO DISCUSS ALTERNATIVE INVESTMENTS AND CROSSROADS INVESTMENTS WITH BAILEY ASSOCIATES.

   ACTION: It was moved by Ashe, seconded by Gibson to adopt Supplemental Calendar Item No. 4; motion passed, 6-0.

There being no further business the Board adjourned its meeting in memory of former Retirement Board Commissioner William T. Reed at 6:35 p.m.

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson Adams Reporting Services

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, February 26, 1991

1:30 P.M.

Present:	Samuel W. Walker	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Bonnie K. Gibson	Commissioner
	Doris Ward	Supervisor
Absent:	Joseph D. Driscoll	Commissioner
	Clare M. Murphy	General Manager Retirement System

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MINUTES: Minutes of Regular Meeting, February 12, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY SERVICE RETIREMENT LIST NO. 16-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Yusuf Azam $238.90

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Paul Demartini $662.53

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Stanley Harris $5,597.97

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Ronald Keyes $1,800.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Alan Abalos $550.00

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Mary E. Holloway $2,640.00

g. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Delia Irey $600.00

h. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Anna Kossman $7,500.00

i. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Arthur Williams $9,000.00

3. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM AND COMPROMISE & RELEASE:

Michael Vidrine $2,875.00 + C&R

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Alan S. Davis

5. HEARING OFFICER DECISIONS:

a. Beverly Fitzpatrick
1426 Sr. Clerk Typist - S.F. Unified School District
Ordinary Disability Retirement/Stipulation
Effective Date: February 2, 1991 Granted

b. Bernice McGhee
1428 Unit Clerk - S.F. General Hospital
Ordinary Disability Retirement
Effective Date: September 1, 1990 Granted

6. APPLICATION FOR BIRTHDATE CORRECTION:

Olivia M. Meservey

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Consent Calendar; motion passed, 4-0.

REGULAR CALENDAR

1. ACTUARIAL CONSULTING CONTRACT

Kieran Murphy, Actuary, presented a written and oral report on the Actuarial Consulting Contract. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe and seconded by Gibson to terminate the contract with Milliman and Robertson effective June 30, 1991 and begin a new contract with the Consulting Actuary Firm, TPF&C effective April 1, 1991; motion passed, 4-0.

2. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND ONE STAFF TO ATTEND THE INSTITUTE FOR FIDUCIARY EDUCATION'S MARKET MAKERS 1991 CONFERENCE ON JUNE 24-27, 1991 IN UPSTATE NEW YORK.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Institute for Fiduciary Education's Market Makers 1991 Conference to be held on June 24-27, 1991 in Upstate New York.

ACTION: It was moved by Breall, seconded by Gibson to approve the request for one Board member and one staff to attend the Institute for Fiduciary Education's Market Makers 1991 Conference on June 24-27, 1991 in Upstate New York; motion passed, 4-0.

3. REQUEST AUTHORIZATION FOR BOARD MEMBERS TO ATTEND THE COUNCIL OF INSTITUTIONAL INVESTORS ANNUAL MEETING ON APRIL 4-5, 1991 IN WASHINGTON D.C.

Clare Murphy, General Manager, presented a written and oral report to the Board on the CII's Annual Meeting to be held on April 4-5, 1991 in Washington D.C.

ACTION: It was moved by Breall, seconded by Gibson to approve the request for two Board members to attend the Council of Institutional Investors Annual Meeting on April 4-5, 1991 in Washington, D.C.; motion passed, 4-0.

4. REQUEST AUTHORIZATION FOR KENNETH L. SHAFFER TO ATTEND THE AIMR ANNUAL CONFERENCE ON MAY 19-22, 1991 IN ST. LOUIS, MISSOURI.

Clare Murphy, General Manager, presented a written and oral report on the AIMR Conference to be held on May 19-22, 1991 in St. Louis, Missouri.

ACTION: It was moved by Breall, seconded by Gibson to approve the request for Kenneth L. Shaffer to attend the AIMR Conference on May 19-22, 1991 in St. Louis, Missouri; motion passed, 4-0.

5. REQUEST AUTHORIZATION FOR PETER ASHE TO ATTEND THE PRUDENTIAL SEMINAR TO BE HELD IN ORLANDO, FLORIDA ON MARCH 14-17, 1991.

Clare Murphy, General Manager, presented a written and oral report on the Prudential Seminar to be held in Orlando, Florida on March 14-17, 1991.

ACTION: It was moved by Breall, seconded by Gibson to approve the request for Peter Ashe to attend the Prudential Seminar on March 14-17, 1991 in Orlando, Florida; motion passed, 4-0.

INVESTMENT CALENDAR

1. QUARTERLY INVESTMENT PERFORMANCE REPORT BY CALLAN ASSOCIATES.

Barry Dennis of Callan Associates presented a written and oral report to the Board on the Quarterly Performance for the period ending December 31, 1990. The Board engaged in a question and answer with Mr. Dennis and Staff.

Action: No action was taken at this time. This was an information item only.

2. EXTERNAL MANAGER PRESENTATIONS.

- Trinity Investment Management Corporation
- Caywood-Christian Capital Management
- Trust Company of the West
- Coldwell Banker

Representatives from the above investment managers presented written and oral presentations on their performance for the period ending December 31, 1990. The representatives also discussed the economy as well as future market trends. The Board reviewed and discussed the presentations.

Action: No action was taken at this time. This was an information item only.

Note: Supervisor Ward arrived during the presentation by Coldwell Banker.

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Vote

	For	Against
Paramount Communications Inc. Shareholder Proposal:		
To amend company by-laws so that any two or more offices, may be held by the same person, except that the Chairman and President and the Corporate Secretary shall not be held by the same person.	0	5

b. Kenneth L. Shaffer, Chief Investment Officer, discussed the investment manager presentations in more detail with Board members.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous votes of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Breall to hear the Supplemental Calendar; motion passed, 5-0.

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Alonzo Crawford $ 1,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Pinkie Latchison $17,500.00

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

John Monroe $ 1,225.00

3. HEARING OFFICER DECISIONS:

a. Charles E. Brewster
0380 Inspector - Police
Industrial Disability Retirement
Effective Date: July 7, 1990 Granted

b. James L. Cook
H10-Chief Operator - Fire Dept.
Industrial Disability Retirement/Stipulation Denied

c. Vora Flournoy
2672 Assistant House Parent - SFUSD
Ordinary Disability Retirement/
Vesting Stipulation
Effective Date: September 15, 1990 Granted

d. Joseph Jennings
9139 Transit Supervisor - Muni
Reinstatement
Effective Date: January 7, 1991 Granted

e. Margaret Nettles
5594 Paraprofessional - SFUSD
Ordinary Disability Retirement
Effective Date: September 1, 1990 Granted

f. Joseph Tonna
Senior Deputy Sheriff
PERS
Effective Date: Expiration of Section 4850
and Sick Leave Benefits Granted

4. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Deborah R. Renwick

b. Rick Ribero

c. Deborah Walters

ACTION: It was moved by Gibson, seconded by Breall to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

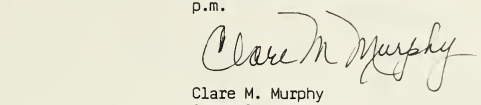
1. Ms. Murphy informed the Board that a letter was received from the Mayor's Office which was directed to the Chamber of Commerce regarding setting up a committee to select nominees for Retirement Board member to fill the vacancy created by the death of Maurice Mann.

2. Ms. Murphy informed the Board that the Council of Institutional Investors is proposing to hold two meetings concerning ATT and NCR on March 21 and April 4.

3. Ms. Murphy discussed with the Board the City's shortfall of revenues. She discussed the effect this may have on the Retirement System and also discussed the potential for reductions of the Retirement System's expenditures.

4. Ms. Murphy informed the Board that she will make a report on the MacBride Principles and Northern Ireland at the Board of Supervisors' meeting on March 11, 1991. She discussed potential issues that may come up at the meeting.

There being no further business the Board adjourned its meeting at 6:10 p.m.



Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michaelson, Adams Reporting Services

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, March 12, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, February 26, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

SPECIAL ORDER

ELECTION OF OFFICERS: President and Vice President

In accordance with Board Rule One, Section 1.03, the Board conducted the election of officers for the ensuing term of office.

For President - It was moved by Gibson, seconded by Driscoll to nominate Commissioner William Breall, M.D. for President; there were no other nominations; motion passed 5-0. Commissioner Breall was elected President for the next 12-month period.

For Vice President - It was moved by Driscoll, seconded by Gibson to nominate Commissioner Peter Ashe for Vice President; there were no other nominations; motion passed 5-0. Commissioner Ashe was elected Vice President for the next 12-month period.

Newly elected President Breall dedicated today's Board meeting in memory of Dr. Maurice Mann.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY SERVICE RETIREMENT LIST NO. 17-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Eric Balmy $190.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Juan C. Cisneros $673.86

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Hugh Donohoe $49.95

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Samuel Garcia $7,989.50

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Pauline Hnatow $1,054.44

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Ray Hodge $976.52

g. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Edward Gerald Ralls $11,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Leela Mollex $9,275.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Mary Patasaw $600.00

4. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Cher D. Brown

b. Yolanda Mulato Dizon

c. James Trivelas

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

NOTE: Commissioner Gibson left the meeting at this time.

REGULAR CALENDAR

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter.

The Retirement Board returned to open session and President Breall reported that no action was taken during the closed session.

INVESTMENT CALENDAR

1. QUARTERLY REPORT ON REAL ESTATE PERFORMANCE FOR THE PERIOD ENDED DECEMBER 31, 1990.

   Kevin Lynch, a representative from The Townsend Group, presented a written and oral report on the real estate performance for the period ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with Mr. Lynch and staff.

   ACTION: No action was taken. This was an informational item only.

2. QUARTERLY REPORT ON INTERNATIONAL EQUITY MANAGERS FOR THE PERIOD ENDED DECEMBER 31, 1990.

   Carolyn Hamilton, Portfolio Manager, presented a written and oral report on the performance of international equity managers for the period ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: No action was taken. This was an informational item only.

3. QUARTERLY REPORT ON INTERNATIONAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED DECEMBER 31, 1990.

   Jack Montgomery, Portfolio Manager, presented a written and oral report on the performance of international fixed income managers for the period ended December 31, 1990. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: No action was taken. This was an informational item only.

4. CHIEF INVESTMENT OFFICER'S REPORT.

   Ken Shaffer, Chief Investment Officer, presented the Chief Investment Officer's Report.

   a. Mr. Shaffer distributed a list of meetings the Investment Division staff had during the month of February.

   b. Mr. Shaffer informed the Board that he and Jack Montgomery, Portfolio Manager, met with Axe Houghton representatives. Staff will present a report to the Board next month with a recommendation on the status of Axe Houghton.

   c. Mr. Shaffer informed the Board that Staff will bring his recommendations on Alternative Investments to the Board in April.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous votes of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Walker, seconded by Ashe to hear the Supplemental Calendar; motion passed, 4-0.

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Pura Carretero $75,000.00

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Peter Mario Busalacchi $ 4,343.63

   b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Richard G. Daniele $ 3,960.80

   c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   John H. Monroe $ 1,321.82

3. HEARING OFFICER DECISIONS:

   a. Joseph E. Bell
   3418 Gardener Asst. Supv. - Rec & Park
   Ordinary Disability Retirement/Stipulation
   Effective Date: June 30, 1990 Granted

   b. Michael Coffey
   0380 Inspector - Police
   Industrial Disability Retirement
   Effective Date: January 13, 1989 Granted

   c. Gerard D. Evans
   Q-380 Inspector - Police
   Industrial Disability Retirement/Stipulation Denied

ACTION: It was moved by Ashe, seconded by Driscoll to adopt Items 1 to 3 of the Supplemental Calendar; motion passed, 4-0.

4. REQUEST AUTHORIZATION FOR CLARE MURPHY AND ONE BOARD MEMBER TO ATTEND THE MURPHY & WALSH ASSOCIATES, INC. EDUCATIONAL CONFERENCE ON MAY 11-15, 1991 IN KILLARNEY, IRELAND.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request for authorization for Clare Murphy and staff to attend the Murphy & Walsh Associates, Inc. Educational Conference on May 11-15, 1991 in Killarney, Ireland; motion passed, 4-0.

5. CHIEF INVESTMENT OFFICER'S REPORT:

a. Proxy Votes

	For	Against
NCR Corp.		
AT&T Proposal:		
1) To take over NCR at $100 per share.	4	0
2) To replace four incumbent Board of Directors of NCR	4	0
3) To replace all of NCR's current remaining Board of Directors	4	0
Shareholder Proposal:		
1) To ban any sales of NCR products in South Africa	1	3

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's report.

1. Ms. Clare Murphy discussed her appearance at a hearing of the Board of Supervisors on March 11, 1991 to report on the Retirement System's activities related to the MacBride principles.

2. Ms. Murphy informed the Board that she received a letter from Bankers Trust inviting the Board and staff to a dinner on Thursday, May 9th. All interested Board members should contact Ms. Murphy.

3. Ms. Murphy informed the Board about a letter from JMB Realty regarding a group trust participant meeting which will be held on April 29 and April 30, 1991. The second day will conflict with the Board meeting scheduled for April 30, 1991. However, any Board member interested in attending the other session should contact Ms. Murphy.

4. Ms. Murphy also informed the Board that the Controller's Internal Audit Division's report on Workers' Compensation will be released this week. The Mayor's Task Force on Workers' Compensation is nearing completion and will also produce a report. Ms. Murphy will distribute both reports to Board members as soon as they are available.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a personnel issue before the Retirement Board.

The Retirement Board returned to open session and President Breall reported that no action was taken during the closed session.

There being no further business the Board adjourned its meeting at 5:45 p.m.

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michaelson, Adams Reporting Services

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3/26/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, March 26, 1991

1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor

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Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, March 12, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 18-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Jeanette Johnson-Lee $3,761.45

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Loyce D. Tucker $3,600.00

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Donald P. Kennealey $5,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Gregory Medved $19,230.00

4. PETITION FOR REHEARING:

a. William F. Johnston
Q-2 - Police Officer - Police Department Denied
Industrial Disability Retirement/Stipulation/
Ordinary/Vesting

5. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Joseph Crusoe

b. Ralle R. Greenberg

c. James P. Lassus

c. Jordan Zara

6. APPLICATIONS FOR BIRTHDATE CORRECTION:

   a. Victor Raul Celis

   b. James H. Madden

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. COST-OF-LIVING ADJUSTMENTS FOR RETIREES SUBJECT TO CHARTER SECTION 8.526, TO BE EFFECTIVE 7-1-91.

   Kieran Murphy, Actuary, presented a written and oral report to the Board on the cost-of-living adjustments for retirees to be effective July 1, 1991. The Board reviewed and discussed the report.

   ACTION: It was moved by Gibson and seconded by Walker to adopt the cost-of-living adjustments for retirees subject to Charter Section 8.526 to be effective July 1, 1991; motion passed, 5-0.

2. DEFERRED COMPENSATION REVIEW.

   Pam Levesque, Executive Assistant, presented a written and oral report on the deferred compensation review. The Board reviewed and discussed the report and engaged in an question and answer session with Staff.

   ACTION: No action was taken an this time. This is an informational item only.

3. REVIEW OF THE CONTROLLER'S INTERNAL AUDIT DIVISION'S REPORT ON WORKERS COMPENSATION.

   Clare Murphy, General Manager, and Rudy Hernandez, Deputy General Manager, presented a written and oral report on the Controller's Internal Audit Division's review of Workers Compensation. The Board reviewed and discussed the report and engaged in a question and answer session with Staff.

   ACTION: No action was taken at this time. This is an informational item only.

4. REQUEST AUTHORIZATION FOR ONE STAFF MEMBER TO ATTEND THE SOCIETY OF ACTUARIES CONFERENCE TO BE HELD ON JUNE 2-5, 1991 IN COLORADO SPRINGS.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Society of Actuaries Conference to be held on June 2-5, 1991 in Colorado Springs.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request for one staff member to attend the Society of Actuaries Conference on June 2-5, 1991 in Colorado Springs; motion passed, 5-0.

5. REQUEST AUTHORIZATION FOR ONE STAFF MEMBER TO ATTEND THE CORPORATE SYSTEMS SPRING SEMINAR TO BE HELD ON APRIL 2-4, 1991 IN AMARILLO, TEXAS.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Corporate Systems Spring Seminar to be held on April 2-4, 1991 in Amarillo, Texas.

ACTION: It was moved by Gibson, seconded by Walker to approve the request for one staff member to attend the Corporate Systems Spring Seminar to be held on April 2-4, 1991 in Amarillo, Texas; motion passed, 5-0.

6. REQUEST FOR A SUPPLEMENTAL APPROPRIATION FOR THE RETIREMENT SYSTEM WORKERS' COMPENSATION EXPENSES.

Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board for a supplemental appropriation for the Retirement System Workers' Compensation expenses. The Board reviewed and discussed the request and engaged in question and answer session with staff.

ACTION: It was moved by Walker, seconded by Gibson to approve the request for a supplemental appropriation for the Retirement System Workers' Compensation expenses; motion passed, 5-0.

1. REVIEW OF DOMESTIC EQUITY PORTFOLIO.

Kenneth L. Shaffer, Chief Investment Officer, and Carolyn Hamilton, Portfolio Manager, presented a written and oral report on the review of domestic equity portfolio. The Board reviewed and discussed the report and engaged in a question and answer session with Staff.

ACTION: It was moved by Ashe, seconded by Gibson to accept Staff's recommendation to terminate Trinity Investment Management Corp. and to direct the monies to the Index Fund until further notice; motion passed 5-0.

2. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

Shareholder Proposals:	For	Against
AT&T		
1. Requests that AT&T do not contribute to institutions that provide service which counsels or performs abortion.	0	5
2. To continue contributions to Planned Parenthood.	1	4
3. To withdraw all communication services and product sales to Israel.	0	5
General Electric Company		
To terminate remaining economic relationships with South Africa and establish a policy not to renew any economic ties to South Africa until apartheid ends.	1	4
Pacific Gas & Electric		
To set aside two cents per year for funding fisheries and wildlife in the State of California.	0	5

	For	Against
Texas Instruments		
Terminate remaining economic relationships with South Africa and not renew any economic ties until apartheid ends.	2	3
Travelers Corporation		
A. To identify officers that earn in excess of $100,000 annually.	0	5
B. How Staff should vote on the above issue. Staff will vote, as a policy, against the above reporting of officers' salary.	0	5

b. Mark Coleman, Security Analyst, distributed a list of U.S. companies currently doing business in South Africa.

c. Ken Shaffer, Chief Investment Officer, informed the Board that a lawsuit was filed against all parties involved in the Revco LBO which took place in 1986. The lawsuit has been brought by trade creditors and is unique in that it includes shareholders as defendants. Staff's expectation is that the inclusion of shareholders will be overturned.

d. Mr. Shaffer informed the Board that he will be re-allocating $20 million from Fixed Income to the Index fund as provided in the latest asset allocation decision.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous votes of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Driscoll to hear the Supplemental Calendar; motion passed, 5-0.

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Orella Richardson $35,000.00

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Isaac B. Haynie $ 1,415.68

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Melissa M. Jajeh $ 45.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Richard Kochevar $ 45.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Adolph Oliver $ 150.00

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Patrick Wetteland $ 1,007.70

3. HEARING OFFICER DECISIONS:

a. Gerald Doherty
H-20 Lieutenant - Fire
Industrial Disability Retirement/Stipulation Denied

b. Warren A. Guillory
7514 General Laborer - DPW/Street Cleaning
Ordinary Disability Retirement
Effective Date: August 1, 1990 Granted

c. Faye Scott
8318 Counselor - Juvenile Hall
Ordinary Disability Retirement
Effective Date: February 2, 1991 Granted

d. Roy T. Zerbe
H2 Firefighter - Fire
Industrial Disability Retirement/
Stipulation/Vesting
Effective Date: December 7, 1989 Granted

4. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Mona Marie Gray

   b. Conrad Reny

ACTION: It was moved by Walker, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's report.

1. Clare Murphy informed the Retirement Board that Form 721's (Statement of Economic Interests) are due by April 1, 1991. She advised the Board to submit the completed forms to Administration by 3:00 p.m., Monday, April 1, 1991. Administration will file them with the Registrar's Office by 5:00 p.m.

2. Ms. Murphy discussed the budget crisis and the Mayor's request for 5% and 10% cuts on the general fund items.

3. Ms. Murphy announced that Ed Harrington was appointed as the new Controller.

4. Ms. Murphy discussed wage setting negotiations and informed the Retirement Board that the Board of Supervisors has postponed setting the Salary Standardization Ordinance for the next fiscal year. The Mayor has requested labor organizations to present alternatives to salary freeze. One of the alternatives offered is establishment of an early retirement plan.

5. Ms. Murphy informed the Board that she met with Don Doyle, President of the S.F. Chamber of Commerce to review the roles of the Retirement Board and also discussed filling the Retirement Board Commissioner vacancy.

6. Ms. Murphy informed the Board that there was no formal response received from the Human Rights Commission on the Retirement System's response to the Lam Securities complaint. She discussed the article in the S.F. Examiner. She also discussed the good faith efforts on the part of the Retirement System to utilize MBE/WBE brokers.

7. Ms. Murphy notified the Board that two Board meeting schedules will be moved forward as follows:

FROM	TO
May 14, 1991	May 7, 1991
June 25, 1991	June 18, 1991

Staff will further advise the Board as soon as the schedule is finalized.

BOARD MEMBERS

President Breall discussed the Board's policy on the MacBride Principles and went on the record in support of the Retirement Board's position with respect to MacBride Principles excluding Principle No. 5.

There being no further business the Board adjourned its meeting at 4:46 p.m.

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson, Adams Reporting Services

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4/9/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, April 9, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, March 26, 1991.

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 19-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Nick Eterovich $13,370.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Bettina Manzella $8,185.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Angel A. Carvajal $6,599.60

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Jerome A. Defilippo $262.97

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

George Dugan $2,000.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robert Greene $1,152.44

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Mario Machi $197.62

4. HEARING DECISION:

a. Robert M. Forni
Q-80 Captain - Police Department
Industrial Disability Retirement/Stipulation
Effective Date: January 18, 1990 Granted

5. PETITIONS FOR REHEARING:

a. Arturo D. Encabo
8141 Claims Adjuster - Workers Compensation
Ordinary Disability Retirement
Effective Date: August 1, 1990 — Granted

b. Jerry M. Tanaka
H-2 Firefighter - Fire Department
Determination — Denied

6. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Lorenzo W. Garde

b. Jack Killough

c. Patricia McMillon

d. Carl Sauceda

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. DEFERRED COMPENSATION REPORT - PART II.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the Deferred Compensation Review - Part II. The Board reviewed and discussed the report.

ACTION: No action was taken at this time. This was an informational item only.

2. HARTFORD PROXY VOTE.

Pam Levesque, Executive Assistant, presented a written and oral report on the Hartford International Opportunities Fund proxy votes. The Board reviewed and discussed the report.

ACTION: The Board voted in favor of the following proposals which were submitted for the Hartford International Opportunities Fund: (5-For; 0-Against)

1. Election of eight incumbent Board of Directors until the next annual meeting.

2. Ratify the selection of Arthur Andersen & Co. as independent public accountants and auditors for the Fund.

3. Approve the investment advisory agreement with Hartford Investment Management Co.

4. Approve the sub-investment advisory agreement with Wellington Management Company.

3. REQUEST AUTHORIZATION FOR ONE STAFF MEMBER TO ATTEND THE INSTITUTE FOR INTERNATIONAL RESEARCH 4th ANNUAL NATIONAL CONFERENCE ON INVESTMENT STRATEGIES FOR PUBLIC FUNDS TO BE HELD ON JUNE 3-4, 1991 IN NEW ORLEANS, LOUISIANA.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Institute for International Research 4th Annual National Conference on Investment Strategies for Public Funds.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request for authorization for Mark Coleman to attend the Institute for International Research 4th Annual National Conference on Investment Strategies for Public Funds to be held on June 3-4, 1991 in New Orleans, Louisiana; motion passed, 5-0.

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENT PRESENTATION.

Alicia Cooney, a representative from Lewis, Bailey Associates, and Gary Hiatt, Portfolio Manager, presented a written and oral report on alternative investments. The Board reviewed and discussed the report and engaged in a question and answer session with Ms. Cooney and Mr. Hiatt.

ACTION: (1) It was moved by Driscoll, seconded by Ashe to approve Staff's recommendation to invest $10 million in Alta Subordinated Debt Partners III Fund; motion passed, 5-0.

(2) It was moved by Ashe, seconded by Gibson to approve Staff's recommendation to invest $10 million in Arral Pacific Equity Trust II Fund; motion passed, 5-0.

NOTE: DR. BREALL INTERRUPTED THE MEETING TO WELCOME PUBLIC COMMENTS AT THIS POINT.

PUBLIC COMMENTS

Mrs. Catchings, widow of Harry Catchings (a Municipal Railway Miscellaneous employee), her son, and Atty. Judith P. Knecht, counsel for Mrs. Catchings were present to request that the matter of Harry Catchings' effective date of retirement be placed on the Board meeting agenda. Mrs. Catchings is requesting to change Harry Catchings' retirement date from October 2, 1985 to September 30, 1985 as provided for in Board Rule 3.06.

NOTE: THE BOARD RESUMED TO CONDUCT REGULAR BUSINESS AFTER THIS SESSION AND CONTINUED WITH THE DISCUSSION OF THE CHIEF INVESTMENT OFFICER'S REPORT.

2. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

Staff Proxy Request	For	Against
Allow staff to vote against future restrictions on U.S. companies, i.e. sales and licensing agreements with South Africa.	4	1
Shareholder Proposals:		
Baxter International Inc.		
To publish a report detailing the sale of the company's Israeli pharmaceutical plant.	0	5
Chase Manhattan Corp.		
1) When reviewing Chase's loan policy, it should consider the overall political and social position of the Soviet government and the government's treatment to its people.	0	5
2) Not to support any abortion or U.S. group concerned with population growth.	0	5

Exxon Corporation	For	Against
1) Initiate a chemical toxic waste program.	1	4
2) To reduce carbon dioxide emissions from the company's energy production plants and facilities.	2	3
Phillip Morris		
To prepare a report which will address Miller product marketing on college campuses.	0	5
Pitney Bowes		
Request that the company issue a report about its interaction and contribution of funds to poor and minority communities in the United States.	0	5

b. Ken Shaffer, Chief Investment Officer, distributed a report on Investment staff meetings for the month of March 1991.

3. REVIEW OF DOMESTIC FIXED INCOME PORTFOLIO.

Ken Shaffer, Chief Investment Officer, and Jack Montgomery, Portfolio Manager, presented a written and oral report on the review of domestic fixed income portfolio. The Board reviewed and discussed the report and engaged in a question and answer session with Staff.

ACTION: (1) It was moved by Gibson, seconded by Driscoll to approve staff's recommendation to terminate the investment management contract with Axe Houghton Management, Inc.; motion passed, 5-0.

(2) It was moved by Ashe, seconded by Gibson to direct staff to temporarily bring the funds in-house from Axe Houghton and prepare a recommendation to the Board regarding selection of future fixed income managers and investment management styles; motion passed, 5-0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous votes of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Ashe to hear the Supplemental Calendar; motion passed, 5-0.

1. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Lisa Brown $ 2,925.87

2. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Glenda Gray

   b. Rozanne Miller

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's report.

1. Ms. Murphy presented to the Retirement Board a prospective board meeting schedule. The schedule proposed moving the May 14 meeting to May 7, 1991 and the June 25 meeting to July 2. The meetings scheduled for June 25 and July 9 were cancelled.

   Ms. Murphy will send a revised calendar to the Board showing these changes.

2. Ms. Murphy announced that Metric Realty's Apartment Seminar will be scheduled sometime in February 1992.

3. Ms. Murphy informed the Board that the City is still facing a budget crisis. Early retirement proposals and changing the funding horizon for the pension plan have been discussed with the Mayor's Office. Ms. Murphy will update the Board as the proposals become more defined.

4. Ms. Murphy reported that she was visited by Sean Collins and Fr. Desmond Wilson who discussed the MacBride Principles. Ms. Murphy distributed copies of "The Directory of Discrimination", which Mr. Collins and Fr. Wilson provided.

5. Ms. Murphy informed the Board that the Mayor's Workers Compensation Task Force has moved into a new phase. The Task Force is setting up four committees to look at the four phases of the workers compensation process. Ms. Murphy will continue to update the Board on the committee process.

6. Ms. Murphy informed the Board that the invitation from Metric Realty to attend a Real Estate Conference which will be held on May 1 to May 3, 1991 at the Spanish Bay Inn remains open to available Board members.

BOARD MEMBERS

Vice President Peter Ashe reported about the Council of Institutional Investors meeting he attended. Paul Quirk has resigned from his position. George Coombs took over as the chairman of the Executive Committee.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a litigation matter. The Retirement Board returned to open session and President Breall directed staff to inform Ms. Knecht that upon review of her request and the history and state of litigation the Retirement Board will not calendar further hearings on the matter, Catchings vs. City and County of San Francisco.

There being no further business the Board adjourned its meeting at 6:30 p.m.

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson, Adams Reporting Services

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4/25/91
Special

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

SPECIAL MEETING

THURSDAY, April 25, 1991

12:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

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RETIREMENT BOARD

SPECIAL MEETING

1. REVIEW OF FISCAL YEAR 1991-92 RETIREMENT CONTRIBUTION RATES BASED ON THE CHANGED STATUS OF THE SHORT-TERM INVESTMENT ENVIRONMENT.

Clare Murphy, General Manager; Ken Shaffer, Chief Investment Officer; Kieran Murphy, Actuary; and Bill Smith of Milliman & Robertson presented a written and oral report to the Board on the review of Fiscal Year 1991-1992 retirement contribution rates based on the changed status of the short-term investment environment. The Board reviewed and discussed the report and engaged in a question and answer session with Staff.

Public comments were entertained. Claude Everhart, Deputy Mayor, spoke and stated that the Board should be as liberal as they can. Representatives from various labor unions were present and expressed their opinions; among those who spoke were Paul Varacalli, President of the Northern California Joint Council of Service Employees International Union, Larry Martin, a representative of the Transport Workers' Union, and Jim Ferguson, a representative of the Firefighters Union.

ACTION: No action was taken on this item.

2. DISCUSSION OF OTHER PROPOSALS.

Clare Murphy, General Manager, and Kieran Murphy, Actuary, presented an oral report to the Board. The union representatives made a proposal to reduce City retirement contributions in FY 1991-92 by changing the wage increase assumption in the valuation from 6% to 5.5%. The Board discussed the proposal with Staff.

ACTION: No action was taken. The Board requested staff and consulting actuary to review this issue and prepare a report for discussion at the next special meeting scheduled for April 29, 1991.

There being no further business the Board adjourned its meeting at 2:55 p.m.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Richard Adams, Adams Reporting Services.

SF
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4/29/91
Special

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

SPECIAL MEETING

MONDAY, April 29, 1991

11:30 A.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Samuel W. Walker	Commissioner
	Doris Ward	Supervisor
Absent:	Bonnie K. Gibson	Commissioner

Clare M. Murphy — General Manager
Retirement System

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RETIREMENT BOARD

SPECIAL MEETING

1. REVIEW OF FISCAL YEAR 1991-92 RETIREMENT CONTRIBUTION RATES BASED ON THE CHANGED STATUS OF THE SHORT-TERM INVESTMENT ENVIRONMENT.

Kieran Murphy, Actuary, presented a written and oral report to the Board on the review of Fiscal Year 1991-92 retirement contribution rates based on the changed status of the short-term investment environment.

The Board reviewed and discussed the report and engaged in a question and answer session. Members of the public, labor councils, the Mayor's Office and retirees also expressed their concerns.

ACTION: It was moved by Driscoll, seconded by Ashe to return to the basic level contribution rates of Police - 67%, Fire - 79%, and Miscellaneous - 13%. The Board recognizes that this removes a lot of the protection from volatility included in retirement valuations; motion passed, 5-0.

2. REVIEW OF FISCAL YEAR 1991-92 RETIREMENT CONTRIBUTION RATES BASED ON CHANGES IN WAGE INCREASE ASSUMPTION.

Kieran Murphy, Actuary, presented a written and oral report to the Board on the review of fiscal year 1991-92 retirement contribution rates based on changes in wage increase assumption. The Board reviewed and discussed the report and engaged in a question and answer session.

ACTION: It was moved by Driscoll, seconded by Walker to affirm the current actuarial assumption of a 6% wage increase; motion passed, 5-0.

There being no further business the Board adjourned its meeting at 12:50 p.m.

Clare M. Murphy

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

SF
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#3
4/30/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, April 30, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, April 9, 1991.

ACTION: Approved as Amended.

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RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 20-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Sylvia Breaziel $ 6,304.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Lanice Edwards $ 4,500.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Leland Huey $ 9,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Paul Seidler $10,200.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

William Arietta $ 7,500.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Thomas A. Burns $ 2,694.48

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

William Colbert, Jr. $ 2,000.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

David Kucia $ 2,781.03

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Susanne Low $ 968.00

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robert Watkins $ 991.51

4. HEARING DECISIONS:

a. Daniel B. Boden
Q-2 Police Officer - Police Department
Determination
Effective Date: June 22, 1989, March 16, 1990, March 27, 1990, April 28, 1990 to May 25, 1990 and June 27, 1990 to August 13, 1990 — Granted

March 21, 1987 to June 26, 1987 and March 26, 1990 — Denied

b. Leo J. Foster III
3320 Animal Keeper - Recreation & Park
Ordinary Disability Retirement
Effective Date: June 1, 1991 — Granted

c. David J. Mills
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: March 1, 1990 — Granted

d. Philip R. Rambo
1406 Sr. Clerk - Public Health
Ordinary Disability Retirement/Stipulation
Effective Date: October 1, 1990 — Granted

e. Vernon Ross
2738 Porter Asst. Supervisor - Laguna Honda
Ordinary Disability Retirement/Stipulation
Effective Date: April 1, 1989 — Granted

5. PETITIONS FOR REHEARING:

a. Cornelius Crowley
Q50 Sergeant - Police Department
Determination — Denied

b. Cora E. Oryall
Q2 Police Officer - Police Department
Industrial Disability Retirement — Granted

6. PETITION FOR CLARIFICATION:

a. Robert Burrowes
H2 Firefighter - Fire Department
Determination
Effective Date: April 23, 1988 to January 4, 1989 — Granted

7. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Mary Briggs
b. Longin G. Bytof
c. B. Jane Hawthorne

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Consent Calendar; motion passed 5-0.

Note: Commissioner Sam Walker arrived during the discussion of the consent calendar.

REGULAR CALENDAR

1. WORKERS' COMPENSATION AUDIT REPORT REVIEW.

Clare Murphy, General Manager, and Rudy Hernandez, Deputy General Manager, presented an oral report to the Board on the Workers' Compensation Audit report. Randy Margot of the Controller's Internal Audit Division was also present and made an oral presentation. The Board engaged in a question and answer session with staff and reviewed and discussed the report.

ACTION: No action was taken; this was an informational item only.

2. WORKERS' COMPENSATION REVIEWCO QUARTERLY REPORT.

Rudy Hernandez, Deputy General Manager, and Brian Narlock, Claims Manager, presented a written and oral report to the Board on the performance of Reviewco (Workers' Compensation Bill Review Contractor). The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken; this was an informational item only.

3. REQUEST TO APPROVE THE RETIREMENT SYSTEM INVESTMENT BUDGET FOR FISCAL YEAR 1991-1992.

Rudy Hernandez, Deputy General Manager, and Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the Retirement System Investment budget for fiscal year 1991-92. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve the Retirement System Investment budget for Fiscal Year 1991-92; motion passed, 5-0.

4. QUARTERLY TRAVEL EXPENSE REPORT.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the Retirement System travel expenses through the period ending April 18, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken; this was an informational item only.

5. REQUEST FOR AUTHORIZATION FOR BOARD MEMBER, PETER ASHE, TO ATTEND PENSION IN THE NINETIES V CONFERENCE TO BE HELD ON MAY 29-JUNE 1, 1991 IN BIGFORK, MONTANA.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Pension in the Nineties V Conference to be held on May 29 to June 1, 1991 in Bigfork, Montana. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Gibson to approve the request for authorization for Board member, Peter Ashe, to attend Pension in the Nineties V Conference to be held on May 29-June 1, 1991 in Bigfork, Montana; motion passed, 5-0.

6. REQUEST FOR AUTHORIZATION FOR BOARD MEMBERS TO ATTEND THE ANNUAL P&I INVESTMENT MANAGEMENT CONFERENCE TO BE HELD IN WASHINGTON, D.C. ON JUNE 19-20, 1991.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Annual P&I Investment Management Conference to be held in Washington, D.C. on June 19-20, 1991. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Driscoll to approve the request for authorization for Board members to attend the Annual P&I Investment Management Conference to be held in Washington, D.C. on June 19-20, 1991; motion passed, 5-0.

7. REQUEST FOR AUTHORIZATION FOR BOARD MEMBER, PETER ASHE, TO ATTEND THE PRUDENTIAL REAL ESTATE SEMINAR TO BE HELD IN PINEHURST, NORTH CAROLINA ON MAY 14-16, 1991.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Prudential Real Estate Seminar to be held in Pinehurst, North Carolina on May 14-16, 1991. The Board reviewed and discussed the request.

ACTION: It was moved by Gibson, seconded by Walker to approve the request for authorization for Board member, Peter Ashe, to attend the Prudential Real Estate Seminar to be held in Pinehurst, North Carolina on May 14-16, 1991; motion passed, 5-0.

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENT PERFORMANCE REPORT.

Alicia Cooney, a representative from Lewis, Bailey Associates, and Gary Hiatt, Portfolio Manager, presented a written and oral report to the Board on the Alternative Investment performance review. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken; this was an informational item only.

2. HELLMAN & FRIEDMAN CAPITAL PARTNERS II.

Kenneth L. Shaffer, Chief Investment Officer; Gary Hiatt, Portfolio Manager; and Alicia Cooney of Lewis, Bailey Associates presented a written and oral report to the Board on the Hellman & Friedman Capital Partners II investment recommendation. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation to invest $10 million in the Hellman & Friedman Capital Partners II Fund; motion passed, 5-0.

3. HIGH YIELD FIXED INCOME REPORT.

Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the high yield fixed income portfolio. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation to terminate Caywood-Christian Capital Management and to increase the high yield asset allocation by 1%. The assets from Caywood-Christian Capital Management and the increase in asset allocation will be added to the Trust Company of the West's current portfolio; motion passed, 5-0.

4. CHIEF INVESTMENT OFFICER'S REPORT

a. Proxy Votes:

Shareholder Proposals	For	Against
Aluminum Company of America		
To reincorporate outside of Pennsylvania.	5	0

Shareholder Proposals	For	Against
Occidental Petroleum Corp. Dow Chemical Company Waste Management, Inc.		
That the Board of Directors be made up of a majority of outside directors.	5	0

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter.

The Board returned to open session and announced they took the following action:

ACTION: It was moved by Driscoll, seconded by Ashe to accept staff's recommendation to settle the case of Thomas Barnes and as part of the settlement agreement, to allow his retirement to be effective on September 1, 1990; motion passed, 5-0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Walker to hear the Supplemental Calendar; motion passed 5-0.

ITEM:

1. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Brian D'Arcy $2,193.88

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Marvin Geistlinger $7,633.78

2. HEARING DECISIONS:

a. Sharon Seals
2908 Hospital Eligibility Worker - SFGH
Ordinary Disability Retirement
Effective Date: December 1, 1989 Granted

b. Harry L. Williams
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: January 1, 1991 Granted

3. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Miguel Cosio Jr.

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, reviewed with the Board the materials she distributed in the Board members packets. One of which is an article from Sacramento Bee about the California Public Employees' Retirement System. The other was a survey report on Workers' Compensation Crisis conducted by Tillinghast, a Towers Perrin company. The Board discussed the articles with Ms. Murphy.

There being no further business the Board adjourned its meeting at 5:35 p.m.

Clare M. Murphy

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson, Adams Reporting Services.

SF
R55
#3
5/7/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, May 7, 1991

1:30 P.M.

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Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor

Rudy Hernandez — Deputy General Manager
Retirement System

MINUTES: Minutes of Special Meeting, April 25, 1991
Minutes of Special Meeting, April 29, 1991
Minutes of Regular Meeting, April 30, 1991

ACTION: Minutes of April 25 and April 30, 1991 were approved as submitted. Minutes of April 29, 1991 was approved as amended.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 21-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Edward Meek (deceased) $35,000

3. HEARING DECISIONS:

a. James P. Lassus
Q-2 Police Officer - Police
Determination
Effective Date: January 3, 1991 & Continuing Granted

b. Alfredo Matteoni
0380 Inspector - Police
Industrial Disability Retirement
Effective Date: March 30, 1991 Granted

c. John O'Connor
9102 Transit Cleaner - MUNI
Ordinary Disability Retirement/Stipulation
Effective Date: March 3, 1990 Granted

ACTION: It was moved by Walker, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. REQUEST TO AMEND THE INDUSTRIAL DISABILITY RETIREMENT APPLICATION OF WILLIAM E. HENNESSEY.

   Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on the request to amend the industrial disability retirement application of William E. Hennessey. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

   ACTION: It was moved by Driscoll, seconded by Gibson to approve the request for an amendment to the Industrial Disability Application of William Hennessey by adding the conditions of pulmonary condition and hearing loss; motion passed, 5-0.

2. REQUEST TO DISMISS THE APPLICATION FOR ORDINARY DISABILITY RETIREMENT OF JAMES O'BRIEN.

   Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the request to dismiss the application for Ordinary Disability Retirement of James O'Brien. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

   ACTION: It was moved by Gibson, seconded by Ashe to approve the request to dismiss the application for Ordinary Disability Retirement of James O. Brien; motion passed, 5-0.

3. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS - BENEFITS CONFERENCE FOR PUBLIC EMPLOYEES ON JULY 8-10, 1991 IN BOSTON, MASSACHUSETTS.

   Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the International Foundation of Employee Benefit Plans - Benefits Conference for Public Employees to be held on July 8-10, 1991 in Boston, Massachusetts.

   ACTION: It was moved by Walker, seconded by Ashe to approve the request for authorization for Board members and staff to attend the International Foundation of Employee Benefit Plans-Benefits Conference for Public Employees to be held on July 8-10, 1991 in Boston, Massachusetts; motion passed, 5-0.

4. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS - INVESTMENT INSTITUTE ON JULY 15-17, 1991 IN WHITE SULPHUR SPRINGS, WEST VIRGINIA.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the International Foundation of Employee Benefit Plans - Investment Institute to be held on July 15-17, 1991 in White Sulphur Springs, West Virginia.

ACTION: It was moved by Gibson, seconded by Ashe to approve the request for authorization for Board members and staff to attend the International Foundation of Employee Benefit Plans - Investment Institute to be held on July 15-17, 1991 in White Sulphur Springs, West Virginia; motion passed, 5-0.

5. REQUEST FOR AUTHORIZATION FOR STAFF TO ATTEND INSTITUTIONAL INVESTOR ASSET ALLOCATION SYMPOSIUM TO BE HELD IN CARMEL, CALIFORNIA ON JULY 17-19, 1991.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the Institutional Investor Asset Allocation Symposium to be held in Carmel, California on July 17-19, 1991.

ACTION: It was moved by Gibson, seconded by Ashe to approve the request for authorization for staff to attend Institutional Investor Asset Allocation Symposium to be held in Carmel, California on July 17-19, 1991; motion passed, 5-0.

6. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE CHASE INVESTORS' OIL AND GAS SEMINAR TO BE HELD IN HOUSTON, TEXAS ON JUNE 6-7, 1991.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the Chase Investors' Oil and Gas Seminar to be held in Houston, Texas on June 6-7, 1991.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request for authorization for staff to attend the Chase Investors' Oil and Gas Seminar to be held in Houston, Texas on June 6-7, 1991 and to allow staff to visit additional investment managers; motion passed, 5-0.

INVESTMENT CALENDAR

1. STAFF REPORT ON TOTAL PORTFOLIO PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 1991.

Kenneth L. Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the total portfolio performance for the period ended March 31, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken. This was an informational item only.

2. REVIEW OF DOMESTIC FIXED INCOME PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 1991.

Jack Montgomery, Portfolio Manager, presented a written and oral report on the review of domestic fixed income performance for the period ended March 31, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

3. REVIEW OF DOMESTIC EQUITY PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 1991.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on the domestic equity performance for the period ended March 31, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

4. STAFF RECOMMENDATION ON ASSET ALLOCATION FOR THE PERIOD ENDING JULY 31, 1991.

Kenneth L. Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, presented a written and oral report to the Board on the asset allocation for the period ending July 31, 1991. The Board reviewed and discussed the report.

ACTION: It was moved by Driscoll, seconded by Gibson to approve staff's recommendation on asset allocation for the period ending July 31, 1991; motion passed, 5-0.

5. CHIEF INVESTMENT OFFICER'S REPORT

a. Proxy Votes:

There were no proxy proposals submitted.

b. Ken Shaffer, Chief Investment Officer, discussed the request from the Real Estate Department regarding the purchase of 25 Van Ness Avenue. The Board discussed the purchase opportunity and directed staff to send a response.

c. Mr. Shaffer discussed a potential equity manager search and outlined the timetable as follows:

June - RFP's issued out to interested parties.

July - Response to RFP due.

August - Analysis and Review of RFP's submitted.

September - Interview of Candidates

October - Selection of Equity Manager

The Retirement Board discussed the style and amount of assets that may be managed by additional investment managers.

d. Mr. Shaffer distributed a list of meetings Investment staff has attended during the month of April, 1991.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Driscoll to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. REQUEST TO ADJUST RETIREMENT ALLOWANCE

Michael C. Coffey

ACTION: The Board voted unanimously by ballot vote to adjust the retirement allowance of Michael C. Coffey from 50% to 58%.

2. REQUEST TO ADJUST RETIREMENT ALLOWANCE

Michael J. Noethig

ACTION: The Board voted unanimously by ballot vote to adjust the retirement allowance of Michael J. Noethig from 50% to 67%.

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Roland Lewis $10,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Frank Wong $ 5,000.00

4. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Francis J. Hogue $ 2,555.30

5. HEARING DECISIONS:

a. Albert J. Fernandez
H-10 Chief's Operator - Fire Dept.
Industrial Disability Retirement/Stipulation
Effective Date: January 2, 1991 Granted

b. Eddie M. Luckett
2760 Laundry Worker - DPH/SFGH
Ordinary Disability Retirement
Effective Date: September 1, 1990 Granted

c. Robert H. Myers
2462 Microbiologist - P.H.
Ordinary Disability Retirement
Effective Date: March 7, 1991 Granted

d. Donna I. Wahlers
1424 Clerk Typist - DPH/LHH
Ordinary Disability Retirement
Effective Date: March 30, 1990 Granted

6. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Anthony P. Lopes

b. Nancy H. Rubin

ACTION: It was moved by Driscoll, seconded by Gibson to adopt Items 3 to 6 of the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Rudy Hernandez, Deputy General Manager, and Pam Levesque, Executive Assistant, presented the General Manager's Report in the absence of the General Manager, Clare Murphy.

1. Ms. Levesque distributed copies of the letter from ITT Hartford informing the Retirement System of the revised interest rates being credited to certain guaranteed account deposits and new contributions.

2. Dan Maguire, Deputy City Attorney, distributed and reviewed the 1991 Changes on the Form 721, Statement of Economic Interests, regarding reporting of travel expenses.

3. Mr. Hernandez and Ms. Levesque distributed to the Board copies of the memo from the Mayors Office regarding the unions' mandatory work furlough proposal and survey. They reviewed and discussed the proposal with the Board.

There being no further business the Board adjourned its meeting at 4:25 p.m.

Respectfully Submitted:

Rudy Hernandez
Deputy General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

SF
R55
#3
5/28/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, May 28, 1991
1:30 P.M.

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Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, May 7, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY SERVICE RETIREMENT LIST NO. 22-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Mary Fries $10,211.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Osmin Martinez $30,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Anita Ortiz $ 9,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Kathleen Ribeiro $ 4,250.00+ 1/2 of future medical expenses

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Sharon L. Bissell $ 4,282.79

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Donald O. Clark $ 2,776.92

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Cheryl P. Hom $ 1,852.71

4. HEARING DECISIONS:

a. Anita Broussard
2672 Asst. House Parent - SFUSD
Ordinary Disability Retirement
Effective Date: September 1, 1990 — Granted

b. William E. Callahan
2940 Child Welfare Worker - Social Services
Ordinary Disability Retirement/Stipulation
Effective Date: August 18, 1990 — Granted

c. Ernesto R. Galamay
9163 Transit Operator - Muni
Ordinary Disability Retirement
Effective Date: November 1, 1990 — Granted

d. Donald R. Johnson
3417 Gardener - SFUSD
Ordinary Disability Retirement/Stipulation
Effective Date: February 13, 1991 — Granted

e. Gary Lynn Pierce
9210 Airport Police Officer - Airport
PERS
Effective Date: To be determined by PERS — Granted

f. Michael Sullivan
H30 Captain - Fire
Industrial Disability Retirement/Stipulation
Effective Date: July 8, 1989 — Granted

5. PETITION FOR REHEARING:

a. Gerard D. Evans
Q-380 Inspector - Police
Industrial Disability Retirement/Stipulation — Granted

6. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. William H. Camp

b. Ladonnis Elston

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. REQUEST AUTHORIZATION TO RENEW THE ST. FRANCIS HOSPITAL CONTRACT FOR TREATMENT OF WORKERS COMPENSATION INJURIES FOR FISCAL YEAR 1991-92.

Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board to authorize the renewal of the St. Francis Hospital Contract for treatment of Workers Compensation injuries for Fiscal Year 1991-92. The Board engaged in a question and answer session with staff.

ACTION: It was moved by Walker, seconded by Driscoll to approve the request to authorize the renewal of the St. Francis Hospital contract for treatment of workers compensation injuries for Fiscal Year 1991-92; motion passed, 5-0.

2. REQUEST AUTHORIZATION TO RENEW THE WORKERS COMPENSATION REVIEWCO CONTRACT FOR FISCAL YEAR 1991-92.

Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board to authorize the renewal of the Workers Compensation Reviewco contract for Fiscal Year 1991-92. The Board reviewed and discussed the contract with Mr. Hernandez.

ACTION: It was moved by Ashe, seconded by Walker to approve the request to authorize the renewal of the Workers Compensation Reviewco contract for Fiscal Year 1991-92; motion passed, 5-0.

3. RESOLUTION HONORING DAVE FONG, CHIEF ASSISTANT CONTROLLER, ON THE OCCASION OF HIS RETIREMENT.

Rudy Hernandez, Deputy General Manager, presented to the Board a resolution honoring Dave Fong, Chief Assistant Controller, on the occasion of his retirement. Board members discussed the resolution and their gratitude to Mr. Fong who has been of great assistance to the Retirement System.

ACTION: It was moved by Ashe, seconded by Walker to adopt the resolution honoring Dave Fong, Chief Assistant Controller, on the occasion of his retirement; motion passed 5-0.

4. REQUEST AUTHORIZATION FOR BOARD MEMBER, PETER ASHE TO ATTEND THE INSTITUTIONAL INVESTOR INSTITUTE ENDOWMENTS AND FOUNDATIONS ROUNDTABLE TO BE HELD ON JUNE 25 TO JUNE 26, 1991 IN BOSTON.

Clare Murphy, General Manager, presented a written and oral report to the Board on the Institutional Investor Institute's Endowments and Foundations Roundtable to be held on June 25-26, 1991 in Boston, Massachusetts.

ACTION: It was moved by Walker, seconded by Gibson to approve the request for authorization for Board member, Peter Ashe, to attend the Institutional Investor Institute's Endowments and Foundations Roundtable to be held on June 25-26, 1991 in Boston, Massachusetts; motion passed, 5-0.

INVESTMENT CALENDAR

1. QUARTERLY INVESTMENT REPORT BY CALLAN ASSOCIATES INC.

Barry Dennis and Anthony Freitas, representatives of Callan Associates Inc., presented a written and oral report to the Board on the quarterly investment results for the quarter ended March 31, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with Mr. Dennis.

ACTION: No action was taken. This was an informational item only.

2. EXTERNAL MANAGER PRESENTATIONS.

- Brinson Partners, Inc.
- RREEF
- Rosenberg Capital Management
- Crossroads Venture Capital

Representatives from the above investment management firms presented written and oral presentations on their performance for the period ending March 31, 1991. The representatives also discussed the economy as well as future market trends. The Board reviewed and discussed the presentations.

ACTION: No action was taken. This was an informational item only.

3. REQUEST FOR EXEMPTION FROM SOUTH AFRICA RESTRICTION.

Jack Montgomery, Portfolio Manager, presented a written and oral request to the Board for an exemption from the South Africa restriction. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request for exemption from the South Africa restriction to allow Trust Company of the West to purchase Owens-Illinois; motion passed, 4-1 (Walker).

4. CHIEF INVESTMENT OFFICER'S REPORT

a. Proxy Votes:

There were no proxy proposals submitted.

b. Ken Shaffer, Chief Investment Officer, discussed the presentations made during the meeting.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy informed the Board that Merrill Lynch invited the Board and staff to attend a meeting regarding the Arral Company on Wednesday, June 5, 1991 at 2:30 p.m. with dinner at 6:00 p.m. More information on the exact location will follow.

2. Ms. Murphy announced that a memorandum was received from Health Services System regarding medical coverage for Retirement Board members.

3. CALAPRS is sponsoring a Trustees Institute on August 12-15, 1991. One trustee from each retirement plan may attend free of charge. Any interested Board member should contact Ms. Murphy.

4. Ms. Murphy reported on the results of the EIPSC data processing review. EIPSC granted release for the first quarter of the total budgeted funds. Ms. Murphy will make a further report to the Board on June 11, 1991.

5. Ms. Murphy distributed a copy of the City Attorney's response regarding the City Attorney's role in the review of the Deferred Compensation Program. The Board discussed the response.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Driscoll to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Robert McEachern $11,000.00

2. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE AND PENSION ADJUSTMENT:

   Peter J. Ackenheil, Jr. $ 2,500.00+

3. HEARING DECISIONS:

   a. Tessie L. Bell
      1602 Calculating Machine Operator - Controller
      Ordinary Disability Retirement
      Effective Date: December 1, 1989 Granted

   b. Paul A. Kotta
      Q-80 Captain - Police
      Industrial Disability Retirement/Stipulation
      Effective Date: May 31, 1990 Granted

   c. Michael Patterson
      H-32 Captain - Fire
      Industrial Disability Retirement
      Effective Date: November 2, 1991 Granted

ACTION: It was moved by Ashe, seconded by Gibson to adopt the Supplemental Calendar; motion passed, 5-0.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter. The Board returned to open session and announced they had taken the following action.

ACTION: It was moved by Driscoll, seconded by Ashe to authorize the Deputy City Attorney to pursue the recommended negotiation strategy in the case of Thomas Cady's third party claim; motion passed, 5-0.

There being no further business the Board adjourned its meeting at 6:30 p.m.

Respectfully Submitted:

Clare M. Murphy

Clare Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson, Adams Reporting Services.

SF
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#3
6/11/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, June 11, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, May 28, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 23-90.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Patricia Cade $ 2,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Matthew Clark $12,500.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Chester Elmore $18,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Gerald L. Ernst $ 1,500.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

James Martin $ 5,000.00

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Gene R. Way $ 1,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Mali Dunston-Johnson $ 2,104.78

4. HEARING DECISION:

   a. Jesse Kane
      Deputy Sheriff - S.F. Sheriff Department
      PERS
      Effective Date: Upon Expiration of Section 4850
      and Sick Leave Benefits Granted

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Joseph A. Barsse

ACTION: It was moved by Walker, seconded by Ashe to adopt the Consent Calendar; motion passed, 4-0.

REGULAR CALENDAR

1. PRESENTATION ON DATA BASE SYSTEM DEVELOPMENT EFFORT.

   Clare Murphy, General Manager, presented an oral report to the Board on the on-going progress of the database system development. Significant progress has been made in implementing specific database features. A complete project plan will be ready in August.

   ACTION: No action was taken. This was an informational item only.

INVESTMENT CALENDAR

1. QUARTERLY REPORT ON INTERNATIONAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED MARCH 31, 1991.

   Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the performance of international fixed income managers for the period ended March 31, 1991. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

2. QUARTERLY REPORT ON INTERNATIONAL EQUITY MANAGERS FOR THE PERIOD ENDED MARCH 31, 1991.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the report on the performance of international equity managers for the period ended March 31, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

Note: Bonnie Gibson arrived during this presentation.

3. REQUEST FOR EXCLUSION OF SPECIFIC SECURITIES FROM THE RETIREMENT SYSTEM'S RESTRICTED LIST OF COMPANIES DOING BUSINESS IN SOUTH AFRICA.

Carolyn Hamilton, Portfolio Manager, presented a written and oral request to the Board to exclude specific securities from the Retirement System's restricted list of companies doing business in South Africa. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Driscoll to accept Staff's recommendation to exclude Varity Corp., Philips N.V., Sandoz Ltd. and Union Bank of Switzerland from the South Africa restricted list as they have met all the criteria of the Board's social investment policy; motion passed, 4-1 (Walker).

4. QUARTERLY REPORT ON REAL ESTATE PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 1991.

Terry Ahern, a representative of The Townsend Group, presented a written and oral report to the Board on the real estate investment performance for the period ended March 31, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken. This was an informational item only.

5. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

There were no proxy votes presented at this meeting.

b. Domestic Equity Manager Search

Ken Shaffer, Chief Investment Officer, reported on the progress of the domestic equity manager search. A draft of the questionnaire was distributed and the Board was asked for comments.

A final draft of the questionnaire will be sent to the Board members before the next scheduled meeting. A list of possible candidates is also being prepared.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Driscoll to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Carolyn McDaniels $22,000

2. HEARING DECISIONS:

   a. Thomas Cady
      Q-35 Assistant Inspector - Police
      Determination Granted

   b. Mark T. Corriea
      3417 Gardener - Department of Public Works
      Ordinary Disability Retirement
      Effective Date: June 1, 1990 Granted

   c. Thomas J. Griffin
      Q-50 Sergeant - Police
      Industrial Disability Retirement
      Effective Date: August 14, 1991 Granted

   d. Norman S. Martin
      2716 Custodial Asst. Supervisor-Comm. College
      Ordinary Disability Retirement
      Effective Date: January 5, 1991 Granted

   e. Anthony G. Sacco
      H-20 Lieutenant - Fire Department
      Industrial Disability Retirement/Stipulation
      Effective Date: May 1, 1991 Granted

   f. Susan Stapleton
      Teacher - SFUSD
      Ordinary Disability Retirement/Stipulation
      Effective Date: June 15, 1991 Granted

g. Sherrill Tolley
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: August 1, 1990 Granted

h. Clinton Wright
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: October 1, 1990 Granted

3. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Jack Killough

b. Antonio G. Lardizabal

c. Evangeline A. Zamora

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 5-0.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy reported on the Mayor's budget for the Retirement System. There were no changes in the Retirement budget. $200,000.00 was removed from the Workers' Compensation budget for City Attorney costs. There were no changes to personnel, nor additions, nor compensatory funding.

2. Staff also met with Harvey Rose's office. $28,000 will be removed from the Retirement System's City Attorney budget. This is a correction, which brings the City Attorney budget equal to current expenditure levels.

   The budget analyst office has recommended cuts in the telephone expense for the System. Currently telephone expenses are not up to date because the Department of Electricity & Telecommunications is behind in allocating costs to individual departments. Mr. Rose's Office will follow up on this.

3. A supplemental budget of $1.6 billion for Workers Compensation benefits was approved by the Board of Supervisors. Workers Compensation costs as of May 1991 will result in 2.3 million over original budget or approximately .5 million above the supplemental.

4. Staff and Mayor's Office discussed the status of the vacancy on the Retirement Board. The ad hoc committee is providing the Mayor's Office with a list of nominees and interviewing will begin shortly.

5. Ms. Murphy also discussed with the Board the recent agreement between labor unions and the Mayor's Office. The Board will review the proposed Charter amendments at its July 2, 1991 meeting.

6. Ms. Murphy also advised the Board that the Civil Service Commission is circulating the examination announcement for the 1113 Deputy General Manager position.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54956 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter. The Board returned to open session and announced they had taken the following action.

ACTION: It was moved by Ashe, seconded by Gibson to authorize the Deputy City Attorney to pursue the recommended negotiation strategy in the case of August Mueller's settlement; motion passed, 5-0.

There being no further business the Board adjourned its meeting at 5:20 p.m.

Respectfully Submitted:

Clare M. Murphy

Clare Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Andrew Balog, Adams Reporting Services.

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

SF
R55
#3
7/2/91

TUESDAY, July 2, 1991

1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor

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Clare Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, June 11, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

President William Breall opened the meeting with a welcome to new Retirement Board member, Mr. Mason Wong.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NOS. 24-90 and 1-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Charles Baldwin $8,600.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Zeki Balsoy $3,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Donald Bowen $2,515.69

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Eddie G. Brigham $2,473.73

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Gordon G. Clark $7,670.22

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

John F. Lewis $ 6,482.94

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Joseph Long $ 7,500.00

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Leonard Peoples $ 1,631.77

g. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Julian Rivas $ 5,000.00

h. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Martha Rosales $20,000.00

i. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Paul Swiatko $ 2,212.10

4. HEARING DECISIONS:

a. Ethel L. Long
2708 Custodian - SFUSD
Ordinary Disability Retirement Denied

b. Richard K. Walsh
9110 Fare Collections Receiver - PUC-Muni
Ordinary Disability Retirement
Effective Date: June 14, 1991 Granted

5. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Eugenia Burfict

b. Maria M. Carmody

c. Percy W. Jones

d. Stephens Maceo

e. Gloria Patricio

f. Danita Reagan

g. James Trivelas

6. APPLICATION FOR BIRTHDATE CORRECTION:

a. S. Marie Steven

ACTION: It was moved by Ashe, seconded by Walker to adopt the Consent Calendar except for Item 2.a. which was deferred until discussion of the Supplemental Calendar; motion passed, 6-0.

REGULAR CALENDAR

1. REPORT AND RECOMMENDATION ON THE DEFERRED COMPENSATION REVIEW.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the Deferred Compensation Program. The staff recommended that the board release a Request for Proposal to qualified Deferred Compensation providers as the next step in the review process. The Board reviewed and discussed the report and engaged in a question and answer session with staff. Deputy City Attorneys Dan Maguire, Claude Kolm and Ken Taymor were also present during the discussion.

ACTION: It was moved by Gibson, seconded by Walker to allow Commissioner Wong to abstain from the vote on the deferred compensation issue; motion passed, 6-0.

ACTION: It was moved by Ashe, seconded by Driscoll that the Board defer any action on the approval of the form and content of the Request for Proposal and its dissemination until clear decisive response, in writing, with a reasonable time for referencing these are presented to the Board as to the exact degree and extent that the Retirement Board responsibilities in administering 457 are substantially similar or equivalent to its clearly delineated responsibilities already defined for the pension plan; motion passed, 3-2 (Gibson, Driscoll) (Wong abstained).

2. REPORT ON CHARTER AMENDMENTS PROPOSED FOR NOVEMBER 1991 BALLOT.

Kieran Murphy, Actuary, presented a written and oral report to the Board on charter amendments proposed for November 1991 ballot. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken. This was an informational item only.

3. PETITION FOR REHEARING.

Willie Dunbar
Airport Police Captain
Disability Retirement

Dan Maguire, Deputy City Attorney, presented a written and oral request to the Board to petition for rehearing of Willie Dunbar's disability retirement application. The Board reviewed and discussed the request.

ACTION: It was moved by Gibson, seconded by Breall to approve the request from the City Attorney to petition for rehearing in the disability retirement case of Willie Dunbar; motion passed, 6-0.

4. REQUEST TO DISMISS APPLICATION FOR REINSTATEMENT - DONALD READ.

Pam Levesque, Executive Assistant, presented a written and oral request to the Board to dismiss the application for reinstatement of Donald Read. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Walker to approve the request to dismiss the application for reinstatement of Donald Read; motion passed, 6-0.

INVESTMENT CALENDAR

1. CHIEF INVESTMENT OFFICER'S REPORT

   a. Proxy Votes:

      No proxy votes were presented to the Board at this time.

   b. Ken Shaffer, Chief Investment Officer, distributed a list of meetings held by Investment staff during the month of June 1991.

   c. Mr. Shaffer discussed the equity manager search questionnaire.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy reported that the supplemental appropriation request for City Attorney expenses was passed for second reading to the Board of Supervisors on July 1, 1991. Final vote will take place on July 8, 1991.

2. Ms. Murphy discussed the following issues regarding Workers Compensation.

   a. The Workers Compensation Project Task Force continues to meet. The most recent meeting covered proposed legislation sponsored by Supervisor Tom Hsieh. Further revisions of the legislation are expected.

   b. Senate Bill (SB 581) was introduced proposing reforms to the Workers Compensation Reform Act. This bill proposes modifying provisions on stress disabilities to require 50% of the source of the claim be caused by work related conditions or circumstances and would limit benefits during periods of rehabilitation. The Retirement staff support this legislation.

3. Ms. Murphy discussed the recent events related to the State budget effecting PERS. She noted that the final package provides that the Governor shall select and direct the actuary for PERS and that the PERS board's responsibility and authority with respect to actuarial matters is transferred to the Governor. In addition she reviewed the $1.6 billion IDDA account which will be used as a source for state and agency contributions to relieve the budget crisis.

4. Pam Levesque, Executive Assistant, discussed parking procedures for Board members and distributed parking stickers for the next two Board meetings. Beginning with the August 27, 1991 packet, the parking sticker will be included in the packet.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Ashe to hear the Supplemental Calendar; motion passed, 6-0.

ITEM:

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Raymond Koenig $ 12,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Gary A. Weinstein $ 3,333.33

2. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Margarita Andino $ 4,800.00

3. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Sharon D. Hernandez $ 3,728.09

ACTION: 1. It was moved by Driscoll, seconded by Walker to adopt Items 1 and 2 of the Supplemental Calendar and Item 2.a. of the Consent Calendar; motion passed, 6-0.

2. It was moved by Walker, seconded by Gibson to approve the request to withdraw funds from the Deferred Compensation Plan for Sharon Hernandez, which will cover two months rent and the attorney's fee; motion passed, 6-0.

PUBLIC COMMENTS

BOARD MEMBERS

There being no further business the Board adjourned its meeting at 4:20 p.m.

Respectfully Submitted:

Clare M. Murphy

Clare Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

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7/30/91

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RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, July 30, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Peter D. Ashe	Vice-President
	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, July 2, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

Note: Commissioner Walker arrived during the discussion of the Consent Calendar.

ITEM:

1. VOLUNTARY RETIREMENT BOARD LIST NO. 2-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Donna Colt $15,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Thomas Hall $20,500.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

George Hightower $ 7,500.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Elbia Delia Maggiora $15,000.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Jerry Ruiz $11,750.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robert J. Cairns $ 859.02

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Sidney Campbell $11,000.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

James M. Cochran $ 3,377.93

3. d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Efren Delgado $ 7,500.00

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Sherman Ford $16,000.00

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Norman E. Gershenz $ 1,375.37

g. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Anthony Hartzer $ 5,000.00

h. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Isaac Haynie $ 4,749.98

i. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Sonia I. Mariona $ 2,297.34

j. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robin Matthews $ 719.70

k. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Denis O'Leary $ 5,000.00

4. HEARING DECISIONS:

a. Kathleen H. Crowe
8214 Parking Control Officer - Parking Authority
Ordinary Disability Retirement
Effective Date: August 9, 1990 Granted

b. Kenneth A. Foss
Q80 Captain - Police
Industrial Disability Retirement/Stipulation
Effective Date: October 9, 1989 Granted

c. Donald R. Hicks
Q-2 Police Officer - Police
Ordinary Disability Retirement
Effective Date: June 13, 1991 Granted

d. John J. Jordan
Deputy Chief - Police
Determination — Denied
Industrial Disability Retirement/Stipulation — Denied

e. Clara Mae Kelley
2302 Orderly - Laguna Honda Hospital
Ordinary Disability Retirement
Effective Date: January 1, 1991 — Granted

f. Robert T. Loeloff
7250 Utility Plumber Supervisor I - Water
Ordinary Disability Retirement
Effective Date: March 30, 1991 — Granted

g. William D. Nunley
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: December 1, 1990 — Granted

h. Jerome Polizzi
H-2 Firefighter - Fire
Determination
Effective Date: June 10, 1988 to May 14, 1989 — Granted

i. Corinthia Sanders
2908 Eligibility Worker - SFGH
Ordinary Disability Retirement — Denied

j. Samuel Scott
9211 Airport Police Sergeant - Airport
Ordinary Disability retirement
Effective Date: February 1, 1991 — Granted

5. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Dennis P. Bouey

b. Thomas James Mudrick

c. Timothy L. Tiradani

6. APPLICATION FOR BIRTHDATE CORRECTION:

a. Ana Bertha Cobos

ACTION: It was moved by Gibson, seconded by Walker to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. REQUEST TO ADOPT THE RETIREMENT BOARD ELECTION SCHEDULE FOR THE FEBRUARY 1992 VACANCY.

   Pam Levesque, Executive Assistant, presented a written and oral request to the Board to declare the Retirement Board vacancy which will occur in February 1992 and to adopt the the Retirement Board election schedule. The Board reviewed and discussed the request.

   ACTION: It was moved by Gibson, seconded by Driscoll to announce the vacancy and to adopt the Retirement Board election schedule for the February 1992 vacancy; motion passed, 5-0.

2. PROPOSED RETIREMENT RELATED CHARTER AMENDMENTS FOR NOVEMBER 1991 BALLOT.

   Kieran Murphy, Actuary, presented a written and oral report to the Board on the proposed Retirement related charter amendments for November 1991 ballot. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: The Board chose not to take a position on the charter amendments at this time.

3. WORKERS COMPENSATION QUARTERLY REPORT.

   Rudy Hernandez, Deputy General Manager, and Brian Narlock, Claims Manager, presented a written and oral report to the Board on Reviewco, bill review contractor for the Workers Compensation Division. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENT PRESENTATION - OIL AND GAS.

   Gary Hiatt, Portfolio Manager, and Alicia Cooney and Cynthia Frost of Lewis, Bailey & Associates, Inc. presented written and oral reports to the Board on oil and gas alternative asset investments. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: It was moved by Driscoll, seconded by Gibson to authorize staff and the alternative asset consultant to perform due diligence and bring specific investment recommendations to the Board within the areas of energy lending, equity investments and property acquisitions; motion passed, 5-0.

z. REQUEST FOR EXCLUSION OF SPECIFIC SECURITIES FROM THE RETIREMENT SYSTEM'S RESTRICTED LIST OF COMPANIES DOING BUSINESS IN SOUTH AFRICA.

Mark Coleman, Security Analyst, presented a written and oral request to the Board to exclude specific securities from the Retirement System's restricted list of companies doing business in South Africa.

ACTION: 1. It was moved by Driscoll, seconded by Walker to table this item except for the request on Michelin Company; motion passed, 5-0.

2. It was moved by Gibson, seconded by Driscoll to remove Michelin Company from the Retirement System's restricted list of companies doing business in South Africa; motion passed, 5-0.

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Vote:

There were no proxy votes presented at this time.

b. Mr. Shaffer informed the Board that staff and consultant were considering a proposal by RREEF regarding the investment in a package of California properties for sale by the Resolution Trust Corp.

c. Mr. Shaffer informed the Board that RREEF has made its fourth investment in industrial properties for the Retirement System's separate account managed by RREEF.

d. Mr. Shaffer discussed the proposed Zell-Chilmark investment.

e. Mr. Shaffer discussed the Columbia Gas situation and Bankers Trust handling of securities lending money and a possible loss for the Retirement System.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy, Claude Kolm and Ken Taymor, Deputy City Attorneys, discussed the City Attorney's legal response on the Retirement Board's fiduciary responsibility for the 457 Deferred Compensation Program.

2. Ms. Murphy distributed and discussed an article on "Public Funds Mortgaging Their Future".

3. Ms. Murphy distributed copies of the projected forward calendar of board meetings. Ms. Murphy discussed the meeting dates for the review of Equity Manager Search. The Board agreed to cancel the December 31, 1991 meeting and notify Ms. Murphy as to their availability for special meetings in October for Equity Manager presentations.

4. Ms. Murphy discussed the case of Shia J. Chan, a Recreation & Park employee who died before his elected retirement date.

5. Ms. Murphy discussed the Mayor's Task Force on Workers Compensation and the development of a City-wide light duty program.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Driscoll to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Michael Reesink $ 7,500.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Jose R. Robles $ 7,500.00

2. HEARING DECISIONS:

a. Joseph Baciocco
H-2 Firefighter - Fire Department
Industrial Disability Retirement
Effective Date: January 25, 1992 Granted

b. James V. Beckom
2907 Eligibility Worker Supervisor - Social Services
Ordinary Disability Retirement
Effective Date: April 1, 1990 Granted

c. Adia B. Brown
1426 Sr. Clerk Typist - DPW/Water Department
Ordinary Disability Retirement
Effective Date: October 1, 1990 Granted

d. Ruth M. Broxton
1426 Sr. Clerk Typist - Social Services
Ordinary Disability Retirement
Effective Date: May 12, 1991 Granted

e. Donald Hensic
Q-50 Sergeant - Police
Industrial Disability Retirement Denied

f. John J. Norton
H-40 Battalion Chief - Fire
Industrial Disability Retirement/Stipulation
Effective Date: October 27, 1990 Granted

g. Thomas J. Santoro
H-30 Captain - Fire
Industrial Disability Retirement
Effective Date: June 29, 1991 Granted

3. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Lavilina Adviento

b. Judy E. Bailey

c. Larry Murdock

d. Anthony John Piazza

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Supplemental Calendar; motion passed, 5-0.

CLOSED SESSION

PUBLIC COMMENTS

There being no further business the Board adjourned its meeting at 5:00 p.m.

Respectfully Submitted:

Clare Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Richard Adams, Adams Reporting Services.

City and County of San Francisco

San Francisco City and County
Employees' Retirement System
Office of The General Manager

Notice

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DATE: August 13, 1991

TO: Retirement Board

FROM: Clare M. Murphy
General Manager

SUBJECT: Prospective Retirement Board Meeting Schedule and Topics

Date	Time	Tentative Topics
7/30/91	1:30 p.m.	Regular Meeting Retirement Board Election Schedule Workers Compensation Quarterly Report Proposed Charter Amendments Deferred Compensation - Legal Opinion Alternative Investments- Oil & Gas Presentation
8/13/91	1:30 p.m.	Regular Meeting Quarterly Domestic Investment Reports Total Portfolio Performance Report Asset Allocation Report Deferred Compensation RFP Discussion & Decision
8/27/91	1:30 p.m.	Regular Meeting Callan Presentation External Managers Presentation
9/10/91	1:30 p.m.	Regular Meeting Deferred Compensation Annual Report - Hartford Equity Search RFP Results Quarterly International Investment Reports Quarterly Real Estate Report
9/24/91	1:30 p.m.	Regular Meeting Retirement System Annual Report Alternative Investments Presentation

Date	Time	Tentative Topics
10/8/91	1:30 p.m.	Regular Meeting
10/22/91	1:30 p.m.	Special Meeting Equity Search Presentation
10/29/91	1:30 p.m.	Regular Meeting Selection of Equity Manager Semi-Annual Alternative Investments Report
11/12/91	1:30 p.m.	Regular Meeting Domestic Investment Quarterly Report Total Portfolio Performance Asset Allocation Report
11/26/91	1:30 p.m.	Regular Meeting Callan Presentation External Manager Presentation
12/10/91	1:30 p.m.	Regular Meeting Quarterly Report on International Investment Quarterly Real Estate Performance Report
12/31/91		CANCELLED

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, August 13, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
Absent:	Doris Ward	Supervisor
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner

Clare Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, July 30, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

Note: The Board took Item No. 2 of the Regular Calendar as the first item of discussion.

REGULAR CALENDAR

2. RETIREMENT RELATED CHARTER AMENDMENT PROPOSED FOR NOVEMBER 1991 BALLOT

Kieran Murphy, Actuary, presented a written and oral report to the Board on the Retirement related charter amendment proposed for November 1991 ballot. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken. This was an informational item only.

Note: The Board assumed normal order of business and discussed the meeting minutes of July 30, 1991.

Commissioner Gibson arrived during the discussion of the Minutes.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 3-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robert L. Derby $ 2,575.97

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Ronald Mondfrans $14,000.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Richard Pate $ 5,500.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Gloria Riley $ 4,810.96

3. HEARING DECISIONS:

a. Edward J. Parrott
H-4 Inspector - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: February 26, 1991 — Granted

b. Robert J. Quattrin
H-20 Lieutenant - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: September 29, 1990 — Granted

4. PETITIONS FOR REHEARING:

a. Daniel B. Boden
Q-2 Police Officer - Police
Determination — Denied

b. Willie Dunbar
Airport Police Captain
PERS — Denied

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Melvin Humphreys

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Consent Calendar except for Item 4.b. which will be carried forward to the next regularly scheduled meeting; motion passed, 4-0.

REGULAR CALENDAR

1. DEFERRED COMPENSATION REPORT AND RECOMMENDATION.

Pam Levesque, Executive Assistant, presented a written and oral report and recommendation to the Board on Deferred Compensation. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request to release the Request for Proposal for the Deferred Compensation Program and to accept the proposed timetable; motion passed, 4-0.

2. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE INSTITUTE FOR FIDUCIARY EDUCATION REAL ESTATE FOR PENSION PROFESSIONALS CONFERENCE TO BE HELD IN ASPEN, COLORADO ON SEPTEMBER 10-13, 1991.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize staff to attend the Institute for Fiduciary Education Real Estate for Pension Professionals Conference.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request to authorize staff to attend the Institute for Fiduciary Education Real Estate for Pension Professionals Conference to be held in Aspen, Colorado on September 10-13, 1991; motion passed, 4-0.

3. REQUEST AUTHORIZATION FOR BOARD MEMBERS TO ATTEND THE PUBLIC SAFETY EMPLOYEES PENSION & BENEFITS CONFERENCE TO BE HELD IN PALM SPRINGS, CA ON OCTOBER 13-16, 1991.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize Board members to attend the Public Safety Employees Pension & Benefits Conference to be held in Palm Springs, CA on October 13-16, 1991. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request to authorize board members to attend the Public Safety Employees Pension & Benefits Conference to be held in Palm Springs, CA on October 13-16, 1991; motion passed, 4-0.

4. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE 10TH ANNUAL CONFERENCE ON REAL ESTATE INVESTMENTS FOR PENSION FUNDS TO BE HELD IN SAN DIEGO, CA ON NOVEMBER 2-6, 1991.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize board members and staff to attend the 10th Annual Conference on Real Estate Investments for Pension Funds to be held in San Diego, CA on November 2-6, 1991. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request to authorize board members and staff to attend the 10th Annual Conference on Real Estate Investments for Pension Funds to be held in San Diego, CA on November 2-6, 1991; motion passed, 4-0.

5. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE IFEBP 37TH ANNUAL EMPLOYEE BENEFITS CONFERENCE TO BE HELD IN SAN DIEGO, CA ON NOVEMBER 8-13, 1991.

Clare Murphy, General Manager, presented a written and oral report to the Board to authorize board members and staff to attend the IFEBP 37th Annual Employee Benefits Conference to be held in San Diego, CA on November 8-13, 1991. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request to authorize board members and staff to attend the IFEBP 37th Annual Employee Benefits Conference to be held in San Diego, CA on November 8-13, 1991; motion passed, 4-0.

INVESTMENT CALENDAR

1. REPORT ON THE TOTAL PORTFOLIO PERFORMANCE FOR THE PERIOD ENDED JUNE 30, 1991.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the total portfolio performance for the period ended June 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

2. REVIEW OF DOMESTIC FIXED INCOME PERFORMANCE FOR THE PERIOD ENDED JUNE 30, 1991.

Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the domestic fixed income performance for the period ended June 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

3. REVIEW OF DOMESTIC EQUITY PERFORMANCE FOR THE PERIOD ENDED JUNE 30, 1991.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on the domestic equity performance for the period ended June 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

4. STAFF RECOMMENDATION ON ASSET ALLOCATION FOR THE QUARTER ENDING OCTOBER 31, 1991.

Ken Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, presented a written and oral recommendation to the Board on asset allocation for the quarter ending October 31, 1991. The Board reviewed and discussed the recommendation and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation on the asset allocation for the quarter ending October 31, 1991; motion passed, 4-0. (Allocation attached.)

5. CHIEF INVESTMENT OFFICER'S REPORT.

a. There were no proxy votes presented.

b. Ken Shaffer distributed a list of meetings held by Investment staff during the month of July.

c. Mr. Shaffer discussed the Columbia Gas bankruptcy and its impact on the securities lending program at Bankers Trust.

d. Mr. Shaffer discussed responses to the Equity Manager Request for Proposal.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy distributed to the Board members copies of the Retirement Board forward calendar.

2. Ms. Murphy distributed copies of the CALAPRS Newsletter. The newsletter contained information on the CALAPRS General Assembly set for March 1992 in San Diego.

3. Ms. Murphy also distributed notices to the Board members about forthcoming conferences and requested the Board to let Administration staff know if they are interested in attending any of the conferences.

4. Ms. Murphy discussed the Workers' Compensation Supplemental Appropriation which will be calendared for the next Board meeting.

5. Ms. Murphy informed the Board that a supplemental appropriation for the Early Retirement Program will also be requested and calendared for the next meeting for further review and discussion.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Ashe to hear the Supplemental Calendar; motion passed 4-0.

ITEM:

1. REQUEST TO ADJUST RETIREMENT ALLOWANCE

   Ronald R. Mauer

   ACTION: The Board voted unanimously by ballot vote to adjust the retirement allowance of Ronald R. Mauer from 50% to 60%.

2. REQUEST AUTHORIZATION TO PETITION FOR REHEARING:

   Victoria Walker
   Q-2 Police Officer - Police
   Industrial Disability Retirement
   Effective Date: July 22, 1990 — Granted

   Note: The Retirement Board voted to approve the City Attorney's request to petition for a rehearing.

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Ivan Stevens — $6,000.00

   b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Marsha Sullivan — $ 712.38

4. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. John Day
   b. Cora Oryall

ACTION: It was moved by Gibson, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 4-0.

CLOSED SESSION

PUBLIC COMMENTS

BOARD MEMBERS

There being no further business the Board adjourned its meeting at 4:17 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

RECOMMENDED ASSET ALLOCATION
For the quarter ending October 31, 1991

Projected Net Contributions	20,000,000
Projected Income	66,567,300
Total Available for Allocation	86,567,300

Sector	Portfolio	Market Value 6/30/91	Anticipated Income	Additions (Deletions)	Current Weighting
Domestic Equity	*Index	617,900,489	5,174,917		46.1
	Internal	146,575,763	1,623,327		10.9
	McCullough	89,606,071	716,849		6.7
	Nicholas Applegate	162,398,568	194,878		12.1
	Hanson*	125,746,685	971,393		9.4
	RCM	197,205,129	1,276,903		14.8
	Total	1,339,432,705	9,958,267	0	29.1
International Equity	Capital Guardian	184,981,179	1,022,021		59.3
	Walter Oechsle	126,989,634	666,696		40.7
	Total	311,970,813	1,688,717	0	7.0
Alternative Investments	ARRAL Pacific Equity Trust II	3,532,330			11.1
	A.P.A. European Ventures	962,897			3.1
	Zell/Chilmark	8,000,000			25.4
	Hellman/Friedman			1,500,000	
	Crossroads	18,000,000			57.3
	Cash Reserves	986,491	12,331		3.1
	Total	31,481,718	12,331	1,500,000	0.7
Domestic Fixed Income	Internal	1,645,004,705	33,229,095	18,500,000	75.0
	Private	46,853,369	361,114		2.1
	MacKay	191,331,354	3,644,862		8.7
	Scudder	191,946,218	3,757,347		8.7
	TCW	119,259,986	3,401,891		5.5
	Total	2,194,395,632	44,394,309	18,500,000	47.7

*20 million dollars has been allocated to Hanson but at quarterend the funds remained in the index fund.

Sector	Portfolio	Market Value 6/30/91	Anticipated Income	Additions (Deletions)	Current Weighting
International Fixed Income	Brinson Partners	210,074,510	4,054,411		54.3
	Warburg	176,564,489	3,482,735		45.7
	Total	386,638,999	7,537,146	0	8.4
Real Estate	Coldwell Banker	68,980,000	344,900		21.1
	Schroder A	20,000,000			6.1
	JMB I	12,742,073	125,000		3.9
	Lehndorff Babson	100,000,000	1,750,000		30.6
	Metric Realty	50,000,000	250,000		15.3
	RREEF	50,000,000	250,000		15.3
	Pacific Acquisition/ Stoneson Dev. Corp.	10,000,000	47,436		3.1
	Cash Reserves	15,214,118	209,194		4.6
	Total	326,936,191	2,976,530	0	7.1
TOTAL ALLOCATION		4,590,856,058	66,567,300	20,000,000	100.0

1. Income to be allocated to the respective manager.

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MINUTES

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TUESDAY, August 27, 1991

1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, August 13, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

NOTE: The Board went on record to wish Clare Murphy, General Manager, a happy birthday.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 4-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Donna L. Bradford $ 1,375.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Carmen Chavez $ 3,750.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Donald Kitson $ 7,500.00

3. HEARING DECISIONS:

a. John W. Cruz
2708 Custodian - SFUSD
Ordinary Disability Retirement/Stipulation
Effective Date: April 1, 1991 Granted

b. John G. Neil
H20 Lieutenant - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: July 16, 1990 Granted

c. Rocco Papapietro
H-2 Firefighter - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: February 1, 1991 Granted

d. Dominic M. Spinetta
H-40 Battalion Chief - Fire
Industrial Disability Retirement/Stipulation — Denied

4. PETITION FOR REHEARING:

Willie Dunbar
Airport Police Captain
PERS — Denied

5. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Leroy T. Caracter
b. Demetrious David Cutino
c. Frank M. McDonagh
d. James Reed

6. APPLICATION FOR BIRTHDATE CORRECTION:

Remmie Sandoval

NOTE: Commissioner Bonnie Gibson requested the Board to consider Consent Calendar Item No. 4 separate from the other consent calendar items and that she be allowed to recuse herself from all matters involving the Airport when her law firm has been involved.

ACTION:

1. It was moved by Ashe, seconded by Driscoll to recuse Commissioner Gibson on Item No. 4; motion passed, 5-0.

2. It was moved by Ashe, seconded by Gibson to adopt the Consent Calendar except for Item No. 4; motion passed, 5-0.

3. It was moved by Ashe, seconded by Driscoll to adopt Consent Calendar Item No. 4; motion passed, 4-0. (Gibson recused)

REGULAR CALENDAR

Note: Commissioner Samuel Walker arrived during the discussion of Regular Calendar Item #1.

1. REQUEST FOR SUPPLEMENTAL APPROPRIATION FOR WORKERS' COMPENSATION DIVISION.

Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board for Supplemental Appropriation for Workers' Compensation Division. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request for Supplemental Appropriation of $55,292.00 to fund overtime and temporary salaries for Workers' Compensation Division; motion passed, 6-0.

2. REQUEST FOR SUPPLEMENTAL APPROPRIATION FOR THE EARLY RETIREMENT PROGRAM.

Clare Murphy, General Manager, and Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board for a Supplemental Appropriation to implement the Early Retirement Program. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

The Board discussed taking a policy position regarding the Early Retirement Program. This will be scheduled for the September 24th board meeting.

ACTION: It was moved by Gibson, seconded by Walker to approve the request for Supplemental Appropriation of $1,405,000 to fund the implementation of the Early Retirement Program; motion passed, 6-0.

3. REQUEST FOR FUND TRANSFER FOR THE EARLY RETIREMENT PROGRAM.

Clare Murphy, General Manager, and Rudy Hernandez, Deputy General Manager, presented a written and oral request to the Board to transfer funds from the FY 1990-91 budget to fund the implementation of the Early Retirement Program. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Gibson, seconded by Ashe -

1. If the request for supplemental appropriation for the Early Retirement Program is approved by the Mayor, these monies will be reimbursed to the retirement fund, and

2. Items No. 1 and No. 2 to be approved, Item No. 3 of the request will be approved subject to review by legal counsel as to whether it meets appropriate fiduciary criteria. Should counsel determine that it does not meet criteria, Item No. 3 will be brought to the Board for further discussion on September 24, 1991;

motion passed, 6-0.

4. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE INSTITUTIONAL INVESTOR INSTITUTE'S ANNUAL PUBLIC FUNDS ROUNDTABLE TO BE HELD IN DALLAS, TEXAS, ON OCTOBER 23-24, 1991.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize staff to attend the Institutional Investor Institute's Annual Public Funds Roundtable to be held in Dallas, Texas on October 23-24, 1991.

ACTION: It was moved by Walker, seconded by Driscoll to approve the request to authorize staff to attend the Institutional Investor Institute's Annual Public Funds Roundtable to be held in Dallas, Texas on October 23-24, 1991; motion passed, 6-0.

5. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE INVESTMENT MANAGEMENT INSTITUTE'S WEST COAST PLAN SPONSOR FORUM TO BE HELD IN SAN DIEGO, CALIFORNIA ON NOVEMBER 14-16, 1991.

Clare Murphy, General Manager, presented a written and oral report to the board to authorize Board members and staff to attend the Investment Management Institute's West Coast Plan Sponsor Forum to be held in San Diego, California on November 14-16, 1991.

ACTION: It was moved by Ashe, seconded by Walker to approve the request to authorize Board members and staff to attend the Investment Management Institute's West Coast Plan Sponsor Forum to be held in San Diego, California on November 14-16, 1991; motion passed, 6-0.

INVESTMENT CALENDAR

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Ken Shaffer, Chief Investment Officer, informed the Board that in the future, real estate manager presentations will be scheduled in conjunction with The Townsend Group reporting meetings.

b. Mr. Shaffer reported that Investment staff is evaluating 60 proposals for the Equity Manager Search. Staff will report to the Board at the meeting scheduled for September 10, 1991. Recommendations for finalists to make presentations is scheduled for September 24, 1991.

c. Mr. Shaffer informed the Board that staff has suspended business with Salomon Brothers indefinitely. This action will not impact the Retirement System fund.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy informed the Board that Father Desmond Wilson has requested the authors of the MacBride Principles to send staff more information regarding Seniority Rule, Item #5.

2. Ms. Murphy said she expects more information from the Mayor's Office regarding another Supplemental Appropriation for Workers' Compensation. Ms. Murphy will report to the Board on this matter at the September 10th Board meeting.

3. Ms. Murphy discussed correspondence from two members regarding disclosure of confidential information regarding their Workers Compensation claims.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Ashe to hear the Supplemental Calendar; motion passed, 6-0.

ITEM:

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Ronald Johnson $ 3,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

John P. Marshall $30,000.00

2. HEARING DECISIONS:

a. Joseph Daly
H-22 Lieutenant - Fire Department
Industrial Disability Retirement/Stipulation Denied

b. Harry Paretchan
H-20 Lieutenant - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: February 20, 1991 Granted

3. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Jeanette Mason

ACTION: It was moved by Walker, seconded by Gibson to adopt the Supplemental Calendar; motion passed, 6-0.

INVESTMENT CALENDAR

1. EXTERNAL MANAGER PRESENTATION.

o Oechsle International Advisors

Mr. Steven Schaefer, a representative of Oechsle International Advisors, made the presentation to the Board on their investment performance.

ACTION: No action was taken. This was an informational item only.

2. QUARTERLY INVESTMENT PERFORMANCE REPORT BY CALLAN ASSOCIATES.

Barry Dennis, a representative from Callan Associates, presented a written and oral report to the Board on quarterly investment results for the quarter ended June 30, 1991. The Board reviewed and discussed the report and engaged in question and answer session with Mr. Dennis.

ACTION: No action was taken. This was an informational item only.

3. EXTERNAL MANAGER PRESENTATIONS.

- o Scudder, Stevens & Clark
- o McCullough, Andrews & Cappiello
- o Metric Institutional Realty

Representatives from the above investment managers, presented written and oral reports to the Board on their quarterly investment performance. The representatives also discussed the economy as well as future market trends. The Board reviewed and discussed the presentations.

ACTION: No action was taken. This was an informational item only.

There being no further business the Board adjourned its meeting at 5:40 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michaelson, Adams Reporting Services.

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MINUTES

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TUESDAY, September 10, 1991

1:30 P.M.

Present:	William Breall, M.D.	President
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Doris Ward	Supervisor

Clare Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, September 10, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

Dr. William Breall wished everyone a Happy New Year.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter. The Board returned to open session and announced that the Retirement Board concurred with the City Attorney's recommendation to propose a settlement in a pending litigation case.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 5-91.

2. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Michael J. McClure	$21,234.00

3. HEARING DECISIONS:

a. George E. Berthold H50 Asst. Chief - Fire Department Industrial Disability Retirement/Stipulation	Denied
b. Richard E. Boles 0225 Calendar Coordinator - Municipal Court Ordinary Disability Retirement/Stipulation Effective Date: June 29, 1991	Granted
c. Harry F. Brophy H-50 Asst. Chief - Fire Department Industrial Disability Retirement/Stipulation Effective Date: August 15, 1991	Granted

d. James Chase
0380 Inspector - Police
Industrial Disability Retirement
Effective Date: December 2, 1991 — Granted

e. Ana B. Cobos
1424 Clerk Typist - Public Health
Ordinary Disability Retirement
Effective Date: January 1, 1991 — Granted

f. Kenneth Davis
0380 Inspector - Police
Industrial Disability Retirement/Stipulation
Effective Date: May 12, 1990 — Granted

g. Penelope Gray
3618 Library Technician II - Library
Ordinary Disability Retirement
Effective Date: October 12, 1991 — Granted

h. Randy K. Martenson
Deputy Sheriff - Sheriff's Department
PERS
Effective Date: Expiration of Section 4850 and Sick Leave Benefits — Granted

i. Kandy A. Parra
Q-2 Police Officer - Police
Industrial Disability Retirement
Effective Date: May 1, 1990 — Granted

j. James N. Trivelas
0589 Court Asst. Superior Court
Ordinary Disability Retirement
Effective Date: July 1, 1991 — Granted

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Arthur Cofresi

ACTION: It was moved by Gibson, seconded by Walker to adopt the Consent Calendar; motion passed, 4-0.

Note: Items 2 and 3 of the Consent Calendar were taken first.

REGULAR CALENDAR

1. REPORT BY HARTFORD ON THE DEFERRED COMPENSATION PLAN FOR THE YEAR ENDING JUNE 30, 1991.

   Patrick J. Kalasardo of The Hartford, presented a written and oral report to the Board on the Deferred Compensation Plan for the year ending June 30, 1991. The Board reviewed and discussed the report.

   ACTION: No action was taken at this time. This was an informational item only.

2. REQUEST AUTHORIZATION FOR BOARD MEMBER PETER ASHE TO ATTEND THE NATIONAL ASSOCIATION OF POLICE ORGANIZATIONS' THIRD ANNUAL POLICE PENSION AND BENEFITS CONFERENCE ON OCTOBER 6, 1991 TO OCTOBER 10, 1991 IN LAS VEGAS.

   Clare Murphy, General Manager, presented a written and oral request to the Board to authorize Board Member Peter Ashe to attend the National Association of Police Organizations' Third Annual Police Pension and Benefits Conference on October 6, 1991 to October 10, 1991 in Las Vegas. The Board reviewed and discussed the request.

   ACTION: It was moved by Gibson, seconded by Walker to approve the request for Peter Ashe to attend the National Association of Police Organizations' Third Annual Police Pension and Benefits Conference on October 6, 1991 to October 10, 1991 in Las Vegas; motion passed, 4-0.

3. REQUEST AUTHORIZATION FOR BOARD MEMBERS & STAFF TO ATTEND THE VENTURE ECONOMICS VENTURE FORUM 1991 ON NOVEMBER 6, 1991 TO NOVEMBER 8, 1991 IN BOSTON, MASSACHUSETTS.

   Clare Murphy, General Manager, presented a written and oral request to the Board to authorize Board members and staff to attend the Venture Economics Venture Forum on November 6-8, 1991 in Boston, Massachusetts. The Board reviewed and discussed the request.

   ACTION: It was moved by Walker, seconded by Gibson to approve the request to authorize Board members and staff to attend the Venture Economics Venture Forum on November 6-8, 1991 in Boston, Massachusetts; motion passed, 4-0.

INVESTMENT CALENDAR

1. QUARTERLY REPORT ON REAL ESTATE PERFORMANCE FOR THE PERIOD ENDED JUNE 30, 1991.

   Terry Ahern, a representative of The Townsend Group, presented a written and oral report to the Board on the real estate performance for the quarter ending June 30, 1991. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

2. QUARTERLY REPORT ON INTERNATIONAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED JUNE 30, 1991.

   Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the international fixed income managers performance for the period ended June 30, 1991. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

3. QUARTERLY REPORT ON INTERNATIONAL EQUITY MANAGERS FOR THE PERIOD ENDED JUNE 30, 1991.

   Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on the international equity managers performance for the period ended June 30, 1991. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

4. REPORT ON EQUITY SEARCH RFP RESULTS.

   Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the results of the domestic equity manager search. The Board reviewed and discussed the report.

   ACTION: No action was taken. This was an informational item only.

5. CHIEF INVESTMENT OFFICER'S REPORT.

   a. Proxy Votes:

      There were no proxy votes presented.

   b. Ken Shaffer, Chief Investment Officer, distributed a list of Investment Staff meetings for the month of August 1991.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Clare Murphy informed the Board about Phil Schaefer's invitation to the Board to attend the Pension in the Nineties VI Conference which will be held in Moscow and Leningrad.

2. Ms. Murphy discussed her attendance at the Administration and Oversight Committee regarding legislation on Workers Compensation. The proposal is to form another Task Force on Workers Compensation costs. The legislation was sent out to the full Board. The second item discussed at the meeting was an ordinance for Civil Service Commission to review disability leaves.

3. Ms. Murphy discussed the progress the staff is making in the preparation of the Early Retirement Program.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Gibson, seconded by Walker to hear the Supplemental Calendar; motion passed, 4-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Tom Busby, Jr. $10,000.00

2. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Edbert T. Dare $ 3,258.47

3. HEARING DECISIONS:

   a. Rodger E. Monks
      H-4 Inspector - Fire Department
      Industrial Disability Retirement/Stipulation
      Effective Date: February 16, 1991 Granted

4. PETITIONS FOR REHEARING:

a. John J. Jordan
Deputy Chief - Police Department
Determination Denied
Industrial Disability Retirement/Stipulation Denied

b. Dominic M. Spinetta
H-40 Battalion Chief - Fire Department
Industrial Disability Retirement/Stipulation Denied

5. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. James Leach

b. Gloria Patricio

c. Vicki Solls

ACTION: It was moved by Gibson, seconded by Walker to adopt the Supplemental Calendar; motion passed, 4-0.

There being no further business the Board adjourned its meeting at 4:20 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewel Michaelson, Adams Reporting Services.

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9/24/91

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, September 24, 1991
1:30 P.M.

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Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, September 10, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 6-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Esmeralda Alfonso $ 94.52

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

George Cima $6,799.27

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Terri Colgrove $ 269.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

David Fife $ 45.00

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

John L. Lawlor $2,431.71

3. HEARING DECISIONS:

a. John W. Crowley
9211 Sergeant - Airport Police
PERS
Effective Date: Expiration of Section 4850 and Sick Leave Benefits — Granted

b. Woodrow S. Herve
8147 Senior Criminal Investigator - District Attorney
PERS
Effective Date: Expiration of Section 4850 and Sick Leave Benefits — Granted

c. Catherine M. Ryan
Deputy Sheriff - Sheriff Department
PERS
Effective Date: Expiration of Section 4850 and Sick Leave Benefits — Granted

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Hester M. Tucker

ACTION:
1. It was moved by Ashe, seconded by Driscoll to recuse Bonnie Gibson from Item 3.a.; motion passed, 5-0.
2. It was moved by Gibson, seconded by Ashe to adopt the Consent Calendar except for Item 3.a.; motion passed, 5-0.
3. It was moved by Ashe, seconded by Driscoll to adopt Consent Calendar Item 3.a.; motion passed, 4-0 (Gibson abstained).

REGULAR CALENDAR

1. REPORT ON THE PROPOSED DEFERRED COMPENSATION LEGISLATION.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on proposed 457 deferred compensation legislation. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

NOTE: Commissioner Walker arrived during the discussion of Regular Calendar Item #2.

2. RETIREMENT RELATED CHARTER AMENDMENT PROPOSED FOR NOVEMBER 1991 BALLOT.

Kieran Murphy, Actuary, presented a written and oral report to the Board on the retirement related charter amendments proposed for the November 1991 ballot. The Board discussed Proposition A.

ACTION: It was moved by Ashe to address a letter to all media regarding the early retirement proposal; the motion died for the lack of a second. The item was then carried forward to later during this Board meeting.

3. REQUEST AUTHORIZATION FOR BOARD MEMBER BONNIE K. GIBSON TO ATTEND THE PENSION IN THE NINETIES VI CONFERENCE ON OCTOBER 4 TO OCTOBER 12, 1991 IN MOSCOW AND LENINGRAD.

Clare Murphy, General Manager, presented a written and oral request to the Board for Bonnie K. Gibson to attend the Pension in the Nineties VI Conference on October 4 to October 12, 1991 in Moscow and Leningrad. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Walker to approve the request for Bonnie K. Gibson to attend the Pension in the Nineties VI Conference on October 4 to October 12, 1991 in Moscow and Leningrad; motion passed, 6-0.

4. REQUEST AUTHORIZATION FOR BOARD MEMBERS TO ATTEND THE PREA ANNUAL PLAN SPONSOR REAL ESTATE CONFERENCE TO BE HELD ON OCTOBER 26-29, 1991 IN BOSTON, MASSACHUSETTS.

Clare Murphy, General Manager, presented a written and oral request to the Board on the PREA Annual Plan Sponsor Real Estate Conference to be held on October 26-29, 1991 in Boston, Massachusetts. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Gibson to approve the request for Board members to attend the PREA Annual Plan Sponsor Real Estate Conference to be held on October 26-29, 1991 in Boston, Massachusetts; motion passed, 6-0.

3. REQUEST AUTHORIZATION FOR STAFF TO ATTEND FRANK J. FABOZZI ASSOCIATES' THREE-DAY TUTORIAL ON FIXED INCOME ANALYTICS, PRODUCTS AND PORTFOLIO STRATEGIES TO BE HELD ON OCTOBER 16-18, 1991 IN NEW YORK CITY.

Clare Murphy, General Manager, presented a written and oral request to the Board for staff to attend Frank J. Fabozzi Associates' Three-Day Tutorial on Fixed Income Analytics, Products and Portfolio Strategies to be held on October 16-18, 1991 in New York City. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Gibson to approve the request for staff to attend Frank J. Fabozzi Associates' Three-Day Tutorial on Fixed Income Analytics, Products and Portfolio Strategies to be held on October 16-18, 1991 in New York City; motion passed, 6-0.

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENT PRESENTATION.

   Gary Hiatt, Portfolio Manager, and Cynthia Frost of Lewis, Bailey Associates presented a written and oral recommendation to the Board on the First Reserve Fund VI investment opportunity. The Board reviewed and discussed the recommendation and engaged in a question and answer session with staff.

   ACTION: It was moved by Ashe, seconded by Gibson to approve staff's recommendation to invest $10 million in First Reserve Fund VI; motion passed, 6-0.

2. REPORT AND RECOMMENDATION ON EQUITY MANAGER FINALISTS.

   Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the equity manager search finalists. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: It was moved by Walker, seconded by Gibson to approve staff's recommendation to interview the list of six equity manager candidates on October 22, 1991; motion passed, 6-0.

3. CHIEF INVESTMENT OFFICER'S REPORT.

   a. Proxy Votes:

      No proxy votes were presented at this time.

   b. Ken Shaffer, Chief Investment Officer, discussed a meeting which was held with representatives from Levi Strauss and the Bank of America on Coldwell Banker VI.

   c. 1991 Proxy Summary Report

      Mr. Shaffer distributed the 1991 Proxy Summary Report and discussed the report with the Board.

GENERAL MANAGER'S REPORT

Clare Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy informed the Board of several upcoming seminars, conferences and invitations.

2. Ms. Murphy discussed a letter received from Oliver Kearney regarding seniority questions relating to the MacBride Principles.

3. Ms. Murphy discussed Hartford's response to Commissioner Sam Walker's inquiry at the last board meeting. The total administrative costs incurred by Hartford for fiscal year ended June 30, 1991 was $1,625,339.00.

4. Ms. Murphy reported that the request for Supplemental Appropriation for the Early Retirement Program is moving through the approval process at the Mayor's Office.

5. Ms. Murphy announced that five candidates were certified for the forthcoming Retirement Board Election.

6. Ms. Murphy announced the result of the Deputy General Manager Examination. Rudy Hernandez ranked first on the list.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Walker, seconded by Gibson to hear the Supplemental Calendar; motion passed, 6-0.

ITEM:

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Michael Benson $ 1,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Reynold Goff $15,000.00

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Henry Yearling $ 2,892.45

3. PETITION FOR REHEARING:

a. Donald Hensic
Q-50 Sergeant - Police Department
Industrial Disability Retirement Denied

4. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Brenda Joyce McKinnon
b. Miriam A. Parker

5. APPLICATIONS FOR BIRTHDATE CORRECTION:

a. Earl E. Blanchat
b. Linda L. Bosworth

ACTION: It was moved by Ashe, seconded by Walker to adopt the Supplemental Calendar; motion passed, 6-0.

REGULAR CALENDAR CONTINUED

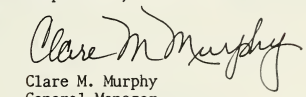
2. RETIREMENT RELATED CHARTER AMENDMENT PROPOSED FOR NOVEMBER 1991 BALLOT.

The Board returned to discuss Item #2 of the Regular Calendar. The Board reviewed the material from the Voters Handbook on Proposition A and the August 30th memorandum from Harvey Rose's Office.

ACTION: It was moved by Driscoll, seconded by Ashe to send to all media, League of Women Voters and SPUR the Retirement System's report on Proposition A and to include the portion of the meeting's transcript which includes the second portion of the discussion on Proposition A; motion passed, 6-0.

There being no further
business the Board adjourned
its meeting at 5:37 p.m.

Respectfully Submitted:



Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting
by Court Reporter: Jewel Michelson,
Adams Reporting Services.

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TUESDAY, October 8, 1991

1:30 P.M.

Present:	William Breall, M.D.	President
	Joseph D. Driscoll	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Peter D. Ashe	Vice-President
	Bonnie K. Gibson	Commissioner
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, September 24, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 7-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Napoleon Brownlow $28,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Richard Livingston $19,029.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Daniel Benitez $ 3,333.33

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Helen Marshall $ 2,166.67

4. HEARING OFFICER DECISIONS:

a. Freddie J. Brown
1426 Sr. Clerk Typist - SFUSD
Ordinary Disability Retirement
Effective Date: May 1, 1991 Granted

b. Ruby D. Dewalt
1404 Clerk - SFGH
Ordinary Disability Retirement
Effective Date: May 1, 1991 Granted

c. Barbara Hinke
Deputy Sheriff - Sheriff's Department
PERS/Industrial Disability Retirement
Effective Date: July 1, 1986 Granted

d. James E. Newson
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: September 1, 1990 Granted

5. PETITION FOR REHEARING:

Stephen H. Feiner
H-2 Firefighter - Fire Department
Determination
Effective Date: August 8, 1988 to August 7, 1989 Granted

6. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Michael S. McDowell

ACTION: It was moved by Walker, seconded by Driscoll to adopt the Consent Calendar; motion passed, 4-0.

REGULAR CALENDAR

1. SELECTION OF EARLY RETIREMENT PROGRAM CONTRACTOR.

Kieran Murphy, presented a written and oral request to the Board on the selection of an Early Retirement Program Coordinator. The Board reviewed and discussed the request and engaged in a question and answer session with staff.

ACTION: It was moved by Driscoll, seconded by Walker to approve staff's recommendation to hire the firm of Towers, Perrin to perform services related to the implementation of Proposition A. The Board also agreed to negotiate with Peat, Marwick & Co. if contract negotiations with Towers, Perrin prove unsuccessful; motion passed, 4-0.

2. REPORT ON THE EARLY RETIREMENT SUPPLEMENTAL APPROPRIATION.

Clare Murphy, General Manager, presented a written and oral report on the Early Retirement Supplemental Appropriation. The Board reviewed and discussed the matter with Ms. Murphy.

ACTION: It was moved by Driscoll, seconded by Walker to approve staff's recommendation to include in a supplemental appropriation an amount sufficient to cover costs related to necessary planning purposes to enable the Retirement System to fulfill its obligations to its beneficiaries, should the Early Retirement Supplemental Appropriation (Proposition A) be carried in the upcoming general election. Additionally, should Proposition A fail, the specific amount spent on this issue be rolled into the actuarial rate setting procedure for next fiscal year.

3. REQUEST TO DISMISS APPLICATION FOR ORDINARY DISABILITY RETIREMENT - JAMES ALLEN.

Pam Levesque, Executive Assistant, presented a written and oral request to dismiss the Ordinary Disability Retirement Application of James Allen. The Board reviewed and discussed the request.

ACTION: It was moved by Driscoll, seconded by Walker to approve staff's recommendation to dismiss the Ordinary Disability Retirement of James Allen; motion passed, 4-0.

4. RETIREMENT SYSTEM TRAVEL EXPENSES REPORT FOR FISCAL YEAR 1990-91.

Pam Levesque, Executive Assistant, presented a written and oral report on the Retirement System Travel Expenses for Fiscal Year 1990-1991. The Board reviewed and discussed the report.

ACTION: No action was taken on this item. This was an informational item only.

5. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE PENSIONS & INVESTMENTS 1991 WORLD CONGRESS ON GLOBAL INVESTMENT MANAGEMENT ON NOVEMBER 12-14, 1991 IN NEW YORK CITY.

Clare M. Murphy, General Manager presented a written and oral request for Board Members and Staff to attend the Pensions & Investments 1991 World Congress on Global Investment Management on November 12-14, 1991 in New York City. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Driscoll to authorize Board members and staff to attend the Pension & Investments 1991 World Congress on Global Investment Management on November 12-14, 1991 in New York City; motion passed, 4-0.

INVESTMENT CALENDAR

1. CHIEF INVESTMENT OFFICER'S REPORT.

   a. Proxy Vote

      No Proxy votes were presented at this time.

   b. Ken Shaffer, Chief Investment Officer, distributed and discussed the list of meetings held with Investment division staff during the month of September.

   c. Mr. Shaffer distributed and discussed the letter from Oliver Kearney relating to the MacBride Principles with respect to seniority issues.

d. Mr. Shaffer discussed the Wellington's involvement as a subadvisor to the Hartford for the City's deferred compensation plan.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Wong, seconded by Walker to hear the Supplemental Calendar; motion passed, 4-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Virginia Concillo $30,023.00

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Elise Breall $ 2,000.00

3. a. SETTLEMENT OF THIRD PARTY CLAIM AND COMPROMISE & RELEASE:

   Ronald J. Verrett $ 8,000.00

4. HEARING OFFICER DECISIONS:

   a. Michael Bykoff
      H-4 Inspector - Fire Department
      Industrial Disability Retirement/Stipulation
      Effective Date: January 1, 1991 Granted

   b. David C. Dugger
      Q-50 Sergeant - Police Department
      Industrial Disability Retirement Denied
      Ordinary Disability Retirement Denied

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   Adolph Oliver

ACTION: It was moved by Driscoll, seconded by Walker to adopt the Supplemental Calendar, Items 1-5; motion passed, 4-0.

6. REPORT AND REQUEST ON THE 457 RFP SUBMISSION PROCESS.

Pam Levesque, Executive Assistant presented a written and oral request on the 457 RFP submission process. The Board reviewed and discussed the request.

ACTION: It was moved by Driscoll, seconded by Walker to approve staff's request to extend the filing deadline for submission of the 457 RFP's to October 16, 1991; motion passed, 4-0.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy discussed with the Board the request from Rudy Nothenberg, Chief Administrative Officer, to include a stuffer on the Annual Charity Campaign with the retirees paycheck.

   ACTION: It was moved by Walker, seconded by Driscoll to approve Mr. Nothenberg's request; motion passed, 4-0.

2. Ms. Murphy informed the Board of an invitation from RREEF to attend the Senior Transamerica Golf tournament. Any interested Board member should contact Ms. Murphy's office for the tickets.

3. Ms Murphy informed the Board, the Supplemental for Workers' Compensation will be heard Wednesday, October 16, 1991.

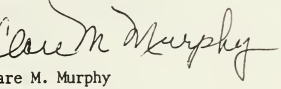
CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter. The Board returned to open session and announced they had taken the following action.

ACTION: It was moved by Driscoll, seconded by Walker to approve the request for a new hearing in the case of Kirti Patel; motion passed, 4-0.

There being no further business the Board adjourned its meeting at 2:30 P.M.

Respectfully Submitted:



Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Jewell Michelson, Adams Reporting Services.

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SPECIAL MEETING

TUESDAY, October 22, 1991
11:00 A.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

RETIREMENT BOARD

SPECIAL MEETING

INVESTMENT CALENDAR

ITEM

1. PRESENTATIONS BY EQUITY MANAGERS:

Written and oral presentations were made by representatives of the firms listed below. Board members and staff engaged in questions and answers with those representatives.

Firms which made presentations:

Wellington Management Company
Provident Investment Counsel
J.P. Morgan Investment
Brinson Partners
Dietche & Field Advisors
Lehman Ark Management Co., Inc.

There being no other business, the meeting adjourned at 5:00 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

Note: A tape recording of this meeting was made by Nancy MacNair.

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TUESDAY, October 29, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, October 8, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 8-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Carlyle Gault $ 2,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Samuel Hill $ 1,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Archie Huff $40,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Lillian Johnson $ 7,500.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Jesse Kane $ 2,500.00

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

George Owens $10,000.00

g. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Robert Prater $ 4,250.00

h. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Kaaren Schroeder-Hill $12,566.75

i. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Ervin E. Thompson 15,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Richard Ford $15,600.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Jennifer Forrester $ 415.17

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Terry Kuchinsky $ 1,120.28

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Michael D. O'Brien $ 910.73

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Minnette L. Reeder $ 1,575.00

4. HEARING DECISIONS:

a. James Corrigan
H-2 Firefighter - Fire Department
Industrial Disability Retirement Denied
Determination
Effective Dates: September 23, 1990 to
August 13, 1991 Granted

b. James J. Crabtree
H-2 Firefighter - Fire Department
Industrial Disability Retirement Denied

c. Lorraine M. Dyfoon
8238 Police Communications Dispatcher - Police Dept.
Ordinary Disability Retirement
Effective Date: October 1, 1990 Granted

d. Edward J. Fitzpatrick
H-2 Firefighter - Fire Department
Industrial Disability Retirement
Effective Date: August 19, 1991 Granted

e. Ronald E. Gardner
H-4 Inspector - Fire Department
Industrial Disability Retirement/Stipulation Denied

f. Hugh E. Gregory, Jr.
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: February 1, 1991 Granted

g. Patricia E. Hatch
1424 Clerk Typist - Police Department
Ordinary Disability Retirement
Effective Date: July 1, 1991 — Granted

h. John H. Hirshfeld, Jr.
H-50 Assistant Chief - Fire Department
Industrial Disability Retirement/Stipulation — Denied

i. Edward Rodriguez
Q-2 Police Officer - Police Department
Industrial Disability Retirement — Denied
Determination
Effective Dates: April 2, 1991 to August 1, 1991 — Granted

j. Richard C. Wai
2450 Pharmacist - SFGH
Ordinary Disability Retirement
Effective Date: August 13, 1991 — Granted

5. PETITIONS FOR REHEARING:

a. Michael J. Dower, Jr.
Q-60 Lieutenant - Police Department
Industrial Disability Retirement — Denied

b. Robert Hernandez
0380 Inspector - Police
Determination — Denied

6. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Anthony J. Piazza

ACTION: It was moved by Ashe, seconded by Gibson to adopt the Consent Calendar; motion passed, 5-0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Ashe, seconded by Gibson to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. MINUTES OF SPECIAL MEETING OF OCTOBER 22, 1991.

   ACTION: Approved as Submitted.

2. REQUEST TO DISMISS APPLICATION OF ORDINARY DISABILITY RETIREMENT - MIGUEL GALLARDO.

   ACTION: The Board approved to dismiss application of Ordinary Disability Retirement of Miguel Gallardo.

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Roger E. Blalark $ 505.05

   b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Douglas Clennell $4,764.18

   c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Josephine Oaties $2,606.94

4. HEARING DECISIONS:

   a. Gerard D. Evans
   Q-380 Inspector - Police Department
   Industrial Disability Retirement/Stipulation
   Effective Date: January 20, 1990 Granted

   b. Michael A. Geraldi
   Q-50 Sergeant - Police Department
   Industrial Disability Retirement
   Effective Date: July 15, 1991 Granted

5. PETITION FOR REHEARING:

   a. George E. Berthold
   H-50 Asst. Chief - Fire Department
   Industrial Disability Retirement Denied

6. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Jacqueline Carvajal

NOTE: Commissioner Walker arrived during the review of the Supplemental Calendar.

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the Supplemental Calendar; motion passed, 6-0.

INVESTMENT CALENDAR

1. SEMI-ANNUAL ALTERNATIVE INVESTMENTS REPORT.

Gary Hiatt, Portfolio Manager, and Alicia Cooney of Lewis, Bailey Associates presented the Semi-Annual Alternative Investments report to the Board. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: No action was taken. This was an informational item only.

2. REPORT AND RECOMMENDATION ON THE SELECTION OF EQUITY MANAGER.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the selection of equity manager. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson to hire Lehman Ark Management, Provident Investment Counsel and Dietche & Field Advisors as domestic equity managers for the Retirement System trust fund and defer action on allocation of funds until the next regularly scheduled quarterly asset allocation consideration on November 12, 1991; motion passed, 6-0.

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

Manufacturers Hanover Corp. and Chemical Banking Corp.

Shareholder Proposal	For	Against
Merger of Manufacturers Hanover Corp. with Chemical Banking Corp.	6	0

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy informed the Board that the Human Rights Commission has requested to have the Retirement Board members attend a presentation regarding 12D Ordinance. The Board agreed to have the presentation made at the Board meeting scheduled on November 26, 1991 from 4:30 to 5:30 p.m.

2. Ms. Murphy reported that the Board of Supervisors approved $1.5 million Supplemental Appropriation for the Early Retirement Program and the $25,000 Supplemental Appropriation for the Workers Compensation Division.

3. Ms. Murphy informed the Board that the S.F. Planning and Urban Research Association (SPUR) and the Bay Guardian oppose Prop A. No other feedback has been received from any of the press agencies.

4. Ms. Murphy reported that discussions still continue with the Mayor's Budget Office and the Employee Relations Division regarding two proposed changes to Civil Service Rules relating to Workers Compensation; i.e, the Sick Leave Accumulation Method (Rule 22) and the Proposed Limited Duty Assignment Program (Rule 35). Both proposals are now going before the Meet and Confer process.

5. Ms. Murphy discussed the Retirement System's work related priorities for the next several months.

BOARD MEMBERS

Commissioner Peter Ashe reported about the Council of Institutional Investor's Semi-Annual meeting he attended on October 24 through 25, 1991.

CLOSED SESSION

Pursuant to the Ralph M. Brown Act, Government Code Sections 54950 et. seq., the Retirement Board met in closed session to discuss a potential litigation matter. The Board returned to open session and announced the Board concurred with the City Attorney's recommendation in the potential litigation matter.

There being no further business the Board adjourned its meeting at 5:20 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

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TUESDAY, November 12, 1991
1:30 P.M.

Present:	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	William Breall, M.D.	President
	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, October 29, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

Note: Vice President Peter Ashe presided at the meeting in the absence of President William Breall.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 9-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

William Hool $2,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Lucy Leong $6,077.00

3. HEARING DECISIONS:

a. June Fisher
2230 Physician - SFGH
Ordinary Disability Retirement
Effective Date: August 1, 1991 Granted

b. Margaret E. Harris
3596 School Security Aide - SFUSD
Ordinary Disability Retirement
Effective Date: April 1, 1991 Granted

c. Frederic E. Moore
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: October 26, 1991 Granted

d. Hal Quinn
H2 - Firefighter
Industrial Disability Retirement
Effective Date: July 8, 1989 Granted

e. Eugenia Rada
1426 Clerk Typist - Department of Social Services
Ordinary Disability Retirement Denied

3. f. Francis J. Shine
7313 Automotive Machinist - MUNI
Ordinary Disability Retirement/Stipulation — Denied

g. Robert H. Walters
1929 Storekeeper - Purchasing
Ordinary Disability Retirement/Stipulation
Effective Date: September 30, 1991 — Granted

4. PETITION FOR REHEARING:

Cora E. Oryall
Q-2 Police Officer - Police Department
Industrial Disability Retirement — Denied

5. APPLICATIONS FOR BIRTHDATE CORRECTION:

a. Sisenando Y. Cayanan

b. Albert Joseph Esta

ACTION: It was moved by Walker, seconded by Driscoll to adopt the Consent Calendar; motion passed, 4-0.

REGULAR CALENDAR

The Board took Item #2 of the Regular Calendar as first item of discussion.

2. ADOPTION OF RETIREMENT BOARD RESOLUTION FOR THE IMPLEMENTATION OF PROPOSITION A.

Maria Newport, Administrator, Retirement Services, and Clare M. Murphy, General Manager, presented a written and oral report to the Board to adopt a resolution for the implementation of Proposition A. Helen Moss of SEIU Local 790 also spoke to the Board and staff on the proposed resolution. The Board reviewed and discussed the resolution and engaged in a question and answer with staff.

ACTION: 1. It was moved by Driscoll, seconded by Walker to amend the proposed resolution so that following the fourth WHEREAS, a fifth WHEREAS should be added to read: "WHEREAS, this resolution will in no way diminish or abridge the rights of those so entitled to buy back service credit as part of the Proposition A Early Retirement Program; motion passed, 4-0.

2. It was moved by Driscoll, seconded by Walker to adopt the resolution as amended; motion passed, 4-0.

Note: The Board resumed discussion of the Regular Calendar with Item No. 1.

1. FY 1990-91 ACTUARIAL EXPERIENCE ANALYSIS.

Kieran Murphy, Actuary, and Mark Mactas and Valerie Stevens of Towers, Perrin & Forster & Crosby presented a written and oral report to the Board on the FY 1990-91 Actuarial Experience Analysis. The Board reviewed and discussed the report.

ACTION: It was moved by Driscoll, seconded by Walker to accept staff's recommendation on the assumptions of the actuarial experience analysis for FY 1990/1991; motion passed, 4-0.

3. PRESENTATION OF RETIREMENT SYSTEM'S ANNUAL REPORT FOR FISCAL YEAR 1990-91.

Pam Levesque, Executive Assistant, presented the Retirement System's Annual Report for Fiscal Year 1990-91. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

ACTION: It was moved by Walker, seconded by Driscoll to adopt the Retirement System's Annual Report for Fiscal Year 1990-91; motion passed, 4-0.

Note: Commissioner Bonnie Gibson arrived prior to the discussion of Investment Calendar Item #1.

INVESTMENT CALENDAR

1. REPORT ON THE TOTAL PORTFOLIO PERFORMANCE FOR THE PERIOD ENDED SEPTEMBER 30, 1991.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on the total portfolio performance for the period ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

2. REVIEW OF DOMESTIC FIXED INCOME PERFORMANCE FOR THE PERIOD ENDED SEPTEMBER 30, 1991.

Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the review of domestic fixed income performance for the period ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

3. REVIEW OF DOMESTIC EQUITY PERFORMANCE FOR THE QUARTER ENDED SEPTEMBER 30, 1991.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on the review of domestic equity performance for the quarter ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

4. STAFF RECOMMENDATION ON ASSET ALLOCATION FOR THE QUARTER ENDING JANUARY 31, 1992.

Ken Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, presented a written and oral report to the Board on asset allocation for the quarter ending January 31, 1992. The Board reviewed and discussed the report and engaged in a question and answer session with staff. Staff amended the allocation recommendation during the discussion. (Amended allocation attached to these minutes).

ACTION: It was moved by Gibson, seconded by Driscoll to accept staff's amended recommendation on the asset allocation for the quarter ending January 31, 1992; motion passed, 5-0.

5. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

No proxy votes were presented.

b. Ken Shaffer distributed the monthly list of meetings held by Investment staff for the month of October.

c. Mr. Shaffer discussed the restructuring at Axe-Core's parent company.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy discussed a letter from The Hartford announcing the General Account rate reduction.

2. Ms. Murphy distributed a memorandum from David Benjamin, Deputy City Attorney, regarding the Closed Session at the October 29, 1991 board meeting.

3. Ms. Murphy discussed the Department Head meeting last Friday relating to Prop A issues. The hiring freeze was discussed at the meeting. All requisitions will go through the Mayor's Office for review and each position must be justified before being sent to the Mayor's Office. The Mayor's Office stated that the goal from the hiring freeze is to save $130 million. Every vacancy is now frozen.

4. Ms. Murphy reported about Prop A activities. She expects contractor staff will work six and seven-day weeks and many double shifts.

5. Ms. Murphy presented a resolution for the Retirement Board to adopt for Fay Woo on his retirement from the Employees' Retirement System.

   Action: It was moved by Walker, seconded by Driscoll to adopt the resolution; motion passed 5-0. It was agreed that a letter should accompany the resolution expressing Board and staff's profound appreciation for Fay Woo's great work and deep empathy with Fay's health condition and reasons for his retirement.

BOARD MEMBERS

Commissioner Peter Ashe distributed presentation material from the Council of Institutional Investors' meeting he attended on October 24, 1991. He also distributed an article on "The Danger Signals of Executive Compensation". Both materials were prepared by Graef S. Crystal, Adjunct Professor at the University of California, Berkeley.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Wong, seconded by Walker to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Daisy Mae Bennett $37,000.00

2. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Anthony V. Digiovanni

   b. Lee Hunt Miller

   c. Steven R. Shanahan

ACTION: It was moved by Gibson, seconded by Driscoll to adopt the Supplemental Calendar; motion passed, 5-0.

There being no further business the Board adjourned its meeting at 5:05 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

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11/26/91

MINUTES

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1155 Market Street, Second Floor, San Francisco

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TUESDAY, November 26, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Bonnie K. Gibson	Commissioner
	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, November 12, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM:

1. VOLUNTARY RETIREMENT BOARD LIST NO. 10-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Robert Sousette $4,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Jerry Ruiz $4,000.00

3. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Donald N. Moorehouse $7,500.00

4. HEARING DECISIONS:

a. Louis J. Birleffi
H-40 Battalion Chief - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: July 16, 1991 Granted

b. Keith Bunch
1222 Sr. Personnel Officer - PUC
Ordinary Disability Retirement
Effective Date: October 19, 1991 Granted

c. Philip J. Denney
8440 Probation Officer - Juvenile Court
Ordinary Disability Retirement
Effective Date: September 7, 1991 Granted

d. Richard A. Klingman
H-2 Firefighter - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: June 8, 1991 Granted

e. John D. Pell
H-40 Battalion Chief - Fire Department
Industrial Disability Retirement
Effective Date: February 5, 1992 Granted

f. Robert L. Rand
H-20 Lieutenant - Fire Department
Industrial Disability Retirement/Stipulation
Effective Date: June 4, 1991 Granted

g. Fay H. Woo
1658 Chief Accountant - Retirement System
Ordinary Disability Retirement
Effective Date: October 31, 1991 Granted

5. APPLICATION FOR BIRTHDATE CORRECTION:

Robert Dean Ross

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. REPORT ON PART-TIME PRIOR SERVICE.

Clare Murphy, General Manager, presented a written and oral report to the Board on part-time prior service. The Board reviewed and discussed the report and engaged in a question and answer session with Ms. Murphy.

ACTION: No action was taken. This was an informational item only.

2. REQUEST TO FILE AN ORDINARY DISABILITY RETIREMENT APPLICATION - DAN PENNISI.

Dan Maguire, Deputy City Attorney, presented a written and oral request to the Board to file an ordinary disability retirement application for Dan Pennisi. The Board reviewed and discussed the request.

ACTION: It was moved by Driscoll, seconded by Ashe to approve staff's recommendation to file an ordinary disability retirement application for Dan Pennisi; motion passed, 5-0.

The Board took the calendar out of normal sequence and discussed the Supplemental Calendar next.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Ashe to hear the Supplemental Calendar; motion passed, 5-0.

ITEM:

1. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

   Sharon Seals $ 7,500.00

2. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

   Norman F. Silva $55,000.00

3. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Cheryl B. Austin

   b. Donald G. Tisher

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the Supplemental Calendar; motion passed, 5-0.

INVESTMENT CALENDAR

1. QUARTERLY INVESTMENT PERFORMANCE REPORT BY CALLAN ASSOCIATES.

   Ron Peyton and Tony Freitas, representatives of Callan Associates, presented a written and oral report on the quarterly investment performance for the quarter ended September 30, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with staff.

   ACTION: No action was taken. This was an informational item only.

2. EXTERNAL MANAGER PRESENTATIONS:

- o Warburg Investment Management
- o Capital Guardian Trust Co.
- o Hanson Investment Management

Representatives from the above firms, presented written and oral reports on their quarterly investment performance for the quarter ended September 30, 1991. The Board reviewed and discussed the reports and engaged in a question and answer session with the managers.

ACTION: No action was taken. This was an informational item only.

3. CHIEF INVESTMENT OFFICER'S REPORT.

a. Proxy Votes:

No proxy votes were presented.

b. Mr. Shaffer distributed and discussed a recommendation to purchase additional computer software to aid in the processing, record keeping, and reporting of proxy information and voting results. The Board reviewed the request.

Action: It was moved by Walker, seconded by Driscoll to approve staff's request to purchase the computer software necessary to aid in the processing, record keeping, and reporting of proxy information and voting results; motion passed, 5-0.

c. Mr. Shaffer discussed the materials he sent to Commissioner Driscoll regarding the equity manager search.

The Board resumed discussion of the Regular Calendar at this point.

REGULAR CALENDAR

3. HUMAN RIGHTS COMMISSION PRESENTATION ON MBE/WBE ORDINANCE.

Edwin Lee and Bayard Fong of the Human Rights Commission, presented a training session on the Minority/Women/Local Business Enterprise 12D Ordinance. Mr. Lee and Mr. Fong discussed the ordinance provisions and the role of the Human Rights Commission in implementing the ordinance. The Board reviewed and discussed the presentation and engaged in a question and answer session with Mr. Lee and Mr. Fong.

ACTION: No action was taken. This was an informational item only.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy distributed the 1992 Tentative Retirement Board Meeting Schedule and a Retirement Board forward calendar through April 1992.

2. Ms. Murphy requested the Board to send a letter to the Civil Service Commission requesting the Deputy General Manager's salary be placed at the fifth step.

   Action: It was moved by Walker, seconded by Driscoll to accept staff's recommendation to direct a letter to the Civil Service Commission requesting Civil Service to place the Deputy General Manager's salary at the fifth step; motion passed, 5-0.

3. Ms. Murphy discussed the status of the Prop A project. She reported that benefit calculations for Prop A eligibles is progressing. A supplemental appropriation will be needed in order to adequately complete the project. Staff will present the supplemental request a the December 10, 1991 Board meeting.

4. Ms. Murphy informed the Board about an invitation from Metric Realty for a Christmas dinner. Metric Realty had given some dates for the Board to choose from. The Board discussed the dates. Ms. Murphy will inform Metric Realty of the Board's preferences.

5. Ms. Murphy invited the Board to the Retirement System's Christmas party on December 19, 1991 at 4:00 p.m. The party will be held in Sigmund Stern Grove between 19th Avenue and Sloat Blvd.

There being no further business the Board adjourned its meeting at 6:30 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker, Adams Reporting Services.

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MINUTES

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TUESDAY, December 10, 1991
1:30 P.M.

Present:	William Breall, M.D.	President
	Peter D. Ashe	Vice-President
	Joseph D. Driscoll	Commissioner
	Bonnie K. Gibson	Commissioner
	Samuel W. Walker	Commissioner
	Mason Wong	Commissioner
Absent:	Doris Ward	Supervisor
	Clare Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, November 26, 1991

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. VOLUNTARY RETIREMENT BOARD LIST NO. 11-91.

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Francis Shine $3,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Oliver Henson $2,029.44

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Lois Kwan-Leong $7,321.61

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Elisa Lee $ 466.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Robert Symonds $2,295.66

4. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM AND COMPROMISE & RELEASE:

Kim Baggett $6,200.00

5. HEARING DECISIONS:

a. Shia Chan
2708 Custodian - Recreation & Parks
Ordinary Disability Retirement Denied

b. Anthony V. Digiovanni
H-40 Battalion Chief - Fire Department
Industrial Disability Retirement
Condition: Job-Related Stress
Effective Date: July 9, 1991 — Granted
Condition: Hearing Loss/Loss of Sense of Smell — Denied

c. Frances O. Esposto
1426 Sr. Clerk Typist - District Attorney
Ordinary Disability Retirement
Effective Date: May 1, 1991 — Granted

d. Randall Tom
9163 Transit Operator - MUNI Railway
Ordinary Disability Retirement
Effective Date: October 28, 1991 — Granted

e. Ronald Vernali
Q-50 Police Sergeant - Police Department
Industrial Disability Retirement/Stipulation — Denied

6. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Ramon A. Molina

ACTION: It was moved by Ashe, seconded by Gibson to adopt the Consent Calendar; motion passed, 6-0.

Note: Commissioners Joseph Driscoll and Bonnie Gibson arrived during the discussion of the Consent Calendar.

REGULAR CALENDAR

1. REQUEST FOR SUPPLEMENTAL APPROPRIATION FOR THE EARLY RETIREMENT PROGRAM.

Clare Murphy, General Manager, and Rudy Hernandez, Deputy General Manager, presented to the Board a written and oral request for supplemental appropriation for the Early Retirement Program. Valerie Stevens and Ron Mister of TPF&C were also present during the discussion. The Board reviewed and discussed the request and engaged in a question and answer session with staff and the consultants from TPF&C.

ACTION: It was moved by Driscoll, seconded by Walker to approve the request for Supplemental Appropriation for the Early Retirement Program in the amount of $1,834,100; motion passed, 6-0.

2. REPORT ON PRIOR PART-TIME SERVICE.

Clare Murphy, General Manager, presented a written and oral report to the Board on prior part-time service. Helen Moss, a representative of Local 790, also made a presentation to the Board. The Board reviewed and discussed the report.

ACTION: It was moved by Gibson, seconded by Ashe to approve the procedure and appeal process recommended by staff in handling requests for reconsideration of staff determinations on part-time prior service requests; motion passed, 6-0.

3. REQUEST FOR DISMISSAL OF ORDINARY DISABILITY RETIREMENT APPLICATION - HENRY MANNING.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on the request for dismissal of Ordinary Disability Retirement Application of Henry Manning. The Board reviewed and discussed the request.

ACTION: It was moved by Driscoll, seconded by Ashe to table this item until further notice to allow Commissioner Driscoll time to contact the applicant; motion passed, 6-0.

4. REQUEST AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE METRIC REALTY APARTMENT SEMINAR TO BE HELD ON FEBRUARY 29 THROUGH MARCH 3, 1992 IN PALM SPRINGS.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize Board members and staff to attend the Metric Realty Apartment Seminar which will be held on February 29 through March 3, 1992 in Palm Springs. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Walker to approve the request for Board members and staff to attend the Metric Realty Apartment Seminar to be held on February 29 through March 3, 1992 in Palm Springs; motion passed, 6-0.

5. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE INSTITUTIONAL INVESTOR INSTITUTE'S PUBLIC FUNDS ROUNDTABLE TO BE HELD ON FEBRUARY 6-7, 1992 IN MARINA DEL REY, CALIFORNIA.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize staff to attend the Institutional Investor Institute's Public Funds Roundtable which will be held on February 6-7, 1992 in Marina Del Rey, California. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Gibson to approve the request for staff to attend the Institutional Investor Institute's Public Funds Roundtable to be held on February 6-7, 1992 in Marina Del Rey, California; motion passed, 6-0.

6. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE GOVERNMENT FINANCE OFFICERS ASSOCIATION 86TH ANNUAL CONFERENCE TO BE HELD ON JUNE 21 THROUGH JUNE 24, 1992 IN ORLANDO, FLORIDA.

Clare Murphy, General Manager, presented a written and oral request to the Board to authorize staff to attend the Government Finance Officers Association 86th Annual Conference which will be held on June 21 through June 24, 1992 in Orlando, Florida. The Board reviewed and discussed the request.

ACTION: It was moved by Gibson, seconded by Walker to approve the request for staff to attend the Government Finance Officers Association's 86th Annual Conference to be held on June 21 through June 24, 1992 in Orlando, Florida; motion passed, 6-0.

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENT PRESENTATION.

Ken Shaffer, Chief Investment Officer; Gary Hiatt, Portfolio Manager; and Cynthia Frost, a representative of Lewis, Bailey Associates, presented a written and oral report to the Board. The Board reviewed and discussed the report.

ACTION: It was moved by Driscoll, seconded by Walker to accept staff's recommendation to invest $7.5 million in RIMCO Partners IV, L.P.; motion passed, 6-0.

2. QUARTERLY REPORT ON REAL ESTATE PERFORMANCE FOR THE PERIOD ENDED SEPTEMBER 30, 1991.

Ken Shaffer, Chief Investment Officer; Gary Hiatt, Portfolio Manager; and Terry Ahern of The Townsend Group presented a written and oral report to the Board on the real estate performance for the period ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

3. REAL ESTATE MANAGER PRESENTATIONS.

- o Lehndorff & Babson Real Estate Counsel
- o Schroder Real Estate

Representatives from the above firms presented written and oral reports to the Board on the investment performance for the period ended September 30, 1991. The Board reviewed and discussed the report and engaged in a question and answer session with the representatives.

ACTION: No action was taken. This was an informational item only.

Note: The Board took the calendar out of normal sequence and heard the Chief Investment Officer's Report next.

6. CHIEF INVESTMENT OFFICER'S REPORT.

a. Ken Shaffer, Chief Investment Officer, discussed CORE and the additional $35 million the Nevada Public Employees' Retirement System is proposing to invest in CORE. Gary Hiatt, Retirement System's Portfolio Manager, and Terry Ahern of The Townsend Group participated in the discussion.

Action: It was moved by Driscoll, seconded by Walker to direct staff not to vote in favor of the additional investment to CORE by Nevada Public Employees Retirement System at this time; motion passed, 6-0.

NOTE: The Board resumed discussion of the Investment Calendar, Item No. 4.

4. QUARTERLY REPORT ON INTERNATIONAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED SEPTEMBER 30, 1991.

Jack Montgomery, Portfolio Manager, presented a written and oral report to the Board on the international fixed income managers performance for the period ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

5. QUARTERLY REPORT ON INTERNATIONAL EQUITY MANAGERS FOR THE PERIOD ENDED SEPTEMBER 30, 1991.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on international equity managers for the period ended September 30, 1991. The Board reviewed and discussed the report.

ACTION: No action was taken. This was an informational item only.

NOTE: The Board continued with the Chief Investment Officer's Report.

6. CHIEF INVESTMENT OFFICER'S REPORT.

b. Request for Exclusion of Specific Securities from the Retirement System's Restricted List of Companies Doing Business in South Africa.

Ken Shaffer, Chief Investment Officer, distributed and discussed a request from Zell/Chilmark Fund to remove USG Corporation from the South Africa restricted List.

Action: It was moved by Ashe, seconded by Driscoll to authorize Zell Chilmark to remove USG Corporation from the South Africa restricted list; motion passed, 5-1 (Walker).

c. Mr. Shaffer discussed the new investment manager contract structure.

d. Asset Allocation - Mr. Shaffer discussed funding of equity managers.

Action: It was moved by Ashe, seconded by Walker to fund Provident Investment Counsel for $50 million; motion passed, 6-0.

e. Mr. Shaffer distributed a list of meetings the Investment Division staff had conducted during the month of November 1991.

f. Proxy Votes:

No proxy votes were presented at this meeting.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, presented the General Manager's Report.

1. Ms. Murphy discussed the S.F. Examiner article regarding minority participation in brokerage for the Employees' Retirement System.

2. Ms. Murphy distributed a memo inviting the Board to attend the Retirement System's Christmas party to be held on December 19, 1991 at Sigmund Stern Grove, San Francisco.

3. Ms. Murphy distributed a conference brochure from Callan Investments Institute about the Twelfth Annual National Conference to be held on January 28 through January 30, 1992 in San Francisco.

4. Ms. Murphy extended seasons greetings to the members of the Board on behalf of the Retirement System staff.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon determination by two-thirds vote of the legislative body, or, if less than two thirds of the members present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Gibson to hear the Supplemental Calendar; motion passed, 6-0.

ITEM:

1. ADJUSTMENT OF RETIREMENT ALLOWANCE - EARL G. STEWART
(Requires Ballot Vote)

ACTION: The Board voted unanimously by ballot vote to adjust the retirement allowance of Earl G. Stewart from 66% to 76.5%.

2. REQUEST AUTHORIZATION FOR A BOARD MEMBER TO ATTEND THE INSTITUTIONAL REAL ESTATE LETTER'S ANNUAL EDITORIAL BOARD MEETING TO BE HELD ON JANUARY 27 THROUGH JANUARY 28, 1992 IN NAPA VALLEY, CALIFORNIA

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Freddy W. Smith	$20,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE & RELEASE:

Thomas J. Sullivan	$ 3,000.00

4. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM:

Richard Jue	$ 2,737.28

5. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM AND COMPROMISE & RELEASE:

Jennifer Forrester	$ 5,500.00

6. HEARING DECISIONS:

a. Leroy Caracter
H-20 Lieutenant - Fire Department
Industrial Disability Retirement
Effective Date: May 25, 1991 — Granted

b. Ernest Gonzales
8180 Principal Attorney - Public Defender
Ordinary Disability Retirement
Effective Date: February 1, 1992 — Granted

c. Guy A. Markell
H4 Fire Inspector - Fire Department
Industrial Disability Retirement — Denied

7. REQUESTS TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Laverne Lockett

b. Larry A. Markham

c. Cheryl E. Walker-Johnson

8. APPLICATIONS FOR BIRTHDATE CORRECTION:

a. Meles Ambaye

b. Gary Louie

ACTION: It was moved by Ashe, seconded by Walker to adopt the Supplemental Calendar; motion passed, 6-0.

BOARD MEMBERS

Commissioner Samuel Walker requested the Board to close the meeting in memory of Jack Morrison.

Commissioner Walker announced that he was selected MUNI Operator of the Month for the month of December.

Commissioner Peter Ashe announced that December 3rd was the 125th Anniversary of the San Francisco Fire Department. Commissioner Ashe suggested to send an acknowledgement to the Chief of the Fire Department and the President of the Firefighters Union.

There being no further business the Board adjourned its meeting in memory of Jack Morrison at 6:50 p.m.

Respectfully Submitted:

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Anthony Balog, Adams Reporting Services.